

Training Session on Disclosure Regime for Public Fund-Raising Appeals

Charities Unit

September 2023



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Objectives of Disclosure Regime

- Charity landscape is maturing and charities value good governance, and place great importance on building trust and strong relationships with donors
- In view of this, we are making it easier for charities to raise funds while making it safe for donors
 - Eliminate dual regulation
 - Reduce administrative burden on charities and fund-raisers

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Current Fund-raising Regime

- All fund-raising appeals for charitable, benevolent or philanthropic purposes are regulated by the COC
- The Charities (Fund-raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012 set out the obligations of fund-raisers
 - E.g. duty to provide clear and accurate information to donors, manage and use donation moneys responsibly, and keep records of donations received and disbursed
 - Permits are currently required for:

Type of fund-raising	Permit required		
Public appeals by visiting house to house or soliciting in the streets or other places	House to House and Street Collections (HHSC) licence from the Police or a fund-raising permit from the National Council of Social Service (NCSS), if the collection is by an NCSS member		
Appeals for foreign charitable purposes	Fund-Raising for Foreign Charitable Purposes (FRFCP) permit from the COC's office		

Donors can verify appeals by requesting to sight the relevant permits



Overview of the Disclosure Regime

Type of fund-raising	Current	New
Public appeals by visiting house to house or soliciting in the streets or other public places	Require HHSC licence from Police or permit from NCSS	 No HHSC licence or NCSS permit required Collections for (a) registered and exempt charities, and (b) valid permit holders raising funds for foreign charitable purposes (i.e. FRFCP permit holders), will be exempted from the permit requirement under the HHSC Act Charities and FRFCP permit holders must disclose on the Charity Portal the details of their public appeals 7 working days beforehand Encourage transparency and accountability of fund-raisers Allow donors to verify legitimacy of the collections When conducting the appeal, collectors/fund-raisers must clearly identify themselves and provide donor with relevant information Carry an official letter from the charity/FRFCP permit holder containing details of the appeal and QR code to disclosures on the Charity Portal Collectors must not engage in certain behaviours when soliciting for funds Cause annoyance to any person and refuse to leave the premise, exert undue pressure on a member of public to donate
Foreign charitable purposes	Require an FRFCP permit from the COC's office	No change

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Scope of Disclosure Regime

- Applies to all <u>public fund-raising appeals</u> (i.e. by means of visits from house to house or by soliciting in <u>any public places</u> [including on the streets], or by both such means)
 - E.g. include:
 - Appeals within retail outlets where retail staff may ask customers to contribute to a charity/charitable cause when they make payments for their purchases at the counter.
 - Donation boxes placed in public places (whether or not there is active solicitation by persons)
- For collections of both <u>monies</u> and <u>other property</u> (e.g. donations-in-kind)
 - E.g. appeals carried out from house to house where the collector asks residents for donations of old clothing or books.
- Which are conducted by or for <u>registered/exempt charities</u> and <u>FRFCP permit</u>
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[New] Disclosure Requirements

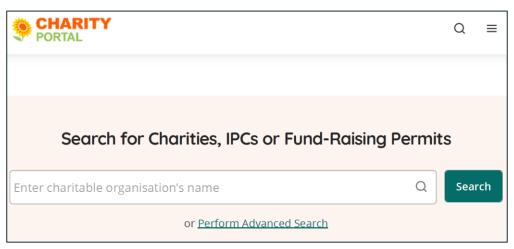
- Charities and FRFCP permit holders to disclose on the Charity Portal <u>at least 7 working days</u> before the appeal commences:
 - a) Purpose, duration, location and method of the collection (e.g. street collection or house-to-house visit)
 - b) Contact number and email address of the charity/FRFCP permit holder
 - c) Where a third-party fund-raiser is involved:
 - i. name of third-party fund-raiser
 - ii. percentage of the total gross receipts from the fund-raising appeal that is expected as payment for the expenses incurred for the appeal
 - iii. declaration by the charity/FRFCP permit holder that (i) a written agreement has been established with the fund-raiser as required under the Regulations; and (ii) the charity/FRFCP permit holder has conducted its due diligence and ascertained that the third-party fund-raiser is fit and proper
- For island-wide appeals, charities and FRFCP permit holders must secure a date via BookingSG before submitting the disclosures

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Public Information

- Disclosures made are published on the Charity Portal for public viewing once submitted by the charity/FRFCP permit holder
- Members of the public will be able to view the disclosures when they search for fund-raising activities (e.g. by name of the charity) on the Charity Portal. This acts as a means for the public to verify these public appeals



- QR code to direct donors to the online disclosures will be generated via the Charity Portal
 - Must include in the official letter that collectors/fund-raisers must carry around

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Engagement of Third-party Fund-raisers

 Charities and FRFCP permit holders must conduct due diligence to ascertain that these third-party fund-raisers are fit and proper

 Onus will be on the <u>charity/FRFCP permit holders</u> to provide evidence of their due diligence and process as and when the COC requires

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[New] Identification Requirements

- When conducting the public appeal, collectors/fund-raisers on the ground must clearly identify themselves as conducting a fund-raising appeal
- Collectors/fund-raisers must also <u>carry an official letter</u> (with letterhead)* from the charity/FRFCP permit holder indicating:
 - a) serial number of the letter
 - b) collection's purpose, duration, location (as disclosed on the Charity Portal)
 - c) contact number and email address of the charity/FRFCP permit holder for clarifications
 - d) QR code issued by the COC
 - e) Name of the third-party fund-raiser (if any)
 - f) Signature of the Chairman, CEO or ED of the charity/FRFCP permit holder; and where a third-party fund-raiser is engaged, signature of its CEO or equivalent designation

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^{*} Official letter may be presented in hardcopy or electronic form



Official Letter Template – With third-party fund-raisers

Information should correspond to the disclosures on the Charity Portal

onduct of Public Charita		erial number]* e Appeal ("the Appeal") [Use minimum fo 14]	nt size	
Purpose of Appeal*	:	[Insert campaign name, if applicable [Purpose of appeal]*	and	
Name of beneficiary charity/FRFCP^ permit holder	:			
Appeal period*	:	[DD MM YYYY] to [DD MM YYYY]		
Location(s)*	:	[List of location(s) where the appeal would be conducted]		
Name of third-party fund- raiser (including commercial fund-raiser or commercial participator)*	:	[Name]* [Note: All third-party fund-raisers must keep a		
commercial participator)		list of all the details of their collectors.]		
Method determining the remuneration of third- party fund-raiser ¹	:	[e.g. X% of the gross or net proceeds or specify other methods will be used to pay the third- party fund-raiser]		
QR code generated from the Charity Portal*	:	More information can be found on the Charity Portal (by the Ministry of Culture, Community and Youth). You can verify the authenticity of the Appeal by scanning the QR code.		
Any other queries	:	[phone number]* and [email address charity/ FRFCP permit holder]*	s]* of	
		charity/ FRFCP permit holder]*		
Signature		Signature		
Name: [Charity Representative]		Name: [Third-party fund-rais	er]	
Designation: [Chairman/CEO or	eq	uivalent] Designation: [CEO or equivalent]	alent]	
Date:	_	Date:		

Note to charities/FRFCP permit holder:

*This denotes a compulsory field where the letter must contain this information. The information provided in this letter should correspond with the information submitted via the Charity Portal relating to the appeal.

^FRFCP permit holder refers to a person who has been granted a permit by the Commissioner of Charities to fund-raise for foreign charitable purposes.

- Pursuant to Regulation 20D of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012, the fund-raiser is required to carry of letter from the charity/FRFCP permit holder when conducting appeals on the ground.
- This template is an example only. Please review the letter template and assess if yo need to make any changes to this template before using it.
- Apart from the identification letter, for greater transparency, the following document should also be brought along when soliciting for funds:
 - Printout of the disclosure of the Appeal submitted on Charity Portal;
 - Letter from the third-party fund-raiser authorizing the individual to be a collector for the Appeal, or employee pass showing that the collector is employed by the third-party fund-raiser. Note: This is not applicable to collections carried out by students as part of their curriculum.
 - [For commercial fund-raiser and commercial participators only] All solicitations should also be accompanied with a written statement containing details under Regulation 16 of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012.

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Official Letter Template – With no third-party fund-raisers

Information should correspond to the disclosures on the Charity Portal

Conduct of Public Charita Arial 13 or Times New Rom Purpose of Appeal*		e Appeal ("the Appeal") [Use minimum font size 14] [Insert campaign name, if applicable] and
Purpose of Appear		[Purpose of appeal]*
Name of beneficiary charity/FRFCP^ permit holder	:	
Appeal period*	:	[DD MM YYYY] to [DD MM YYYY]
Location(s)*	:	[List of location(s) where the appeal would be conducted]
QR code generated from the Charity Portal*	:	More information can be found on the Charity Portal (by the Ministry of Culture, Community and Youth). You can verify the authenticity of the Appeal by scanning the QR code. [insert QR code]
Any other queries	:	[phone number]* and [email address]* of charity/ FRFCP permit holder]*
signature Iame: [Charity Representative] Designation: [Chairman/CEO or Date:		_ _ uivalentj

Note to charities/FRFCP permit holder:

*This denotes a compulsory field where the letter must contain this information. The information provided in this letter should correspond with the information submitted via the Charity Portal relating to the appeal.

^FRFCP permit holder refers to a person who has been granted a permit by the Commissioner of Charities to fund-raise for foreign charitable purposes.

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- This template is an example only. Please review the letter template and assess if you need to make any changes to this template before using it.
- Apart from the identification letter, for greater transparency, the Charity/FRFCP permit holder should also provide the volunteers with a printout of the disclosure of the Appeal submitted on Charity Portal.

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[New] Age Limit of Collectors

A person <u>below 16 years of age is not allowed</u> to act as collector of money or act as
a third-party fund-raiser <u>without the permission of the Commissioner</u>

 The age limit of persons to conduct or participate in the appeal is meant to ensure that there is adult supervision over the collection of money

 The Commissioner is working with MOE on the arrangements for students in MOE schools to participate in fund-raising appeals as part of MOE's national holistic curriculum to develop students' character.

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[New] Behaviour of Collectors

- Collectors/fund-raisers on the ground must <u>ensure appropriate behaviour</u> when conducting public appeals
- Examples of behaviour that are <u>not</u> permitted include:
 - a) Providing inaccurate or misleading information
 - b) Causing annoyance to any person or remaining at the door of or in any premises
 - c) Conducting collections at locations not specified in the official letter
 - d) Acting in a way that might cause donors to become alarmed/anxious, feel pressured to donate and/or feel guilty if they don't donate
 - e) Acting in a fraudulent or dishonest manner
 - f) Exploiting position as a collector for personal gain
 - g) Blocking a public right of way or obstructing a member of the public

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Joint Responsibility

- The charity/FRFCP permit holder and third-party fund-raiser (if any) are jointly responsible in briefing and preparing all collectors/fund-raisers before commencement of the fund-raising appeal:
 - Inform collectors/fund-raisers of the requirements on clear identification and behaviour of collectors that are prescribed in the Regulations, including duty to donors
 - Provide collectors/fund-raisers with all the relevant information and documents (such as the official letter) relating to the collection

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Enforcement and Penalties

- [Existing] Issue prohibition, restriction or suspension orders under s37 of Charities Act
 - COC will take enforcement action for appeals which have been improperly conducted or where
 persons involved are not fit and proper. This has a similar effect as rejecting or revoking a fundraising permit where a permit regime is involved.
- [Existing] Penalties for providing false or misleading information knowingly or recklessly under s45 of the Charities Act
 - COC will take enforcement action where inaccurate disclosures were provided wilfully.
- [New] Penalties in FR Regulations for failure to comply with all the new requirements (i.e. disclosure, clear identification, age limit and behaviour of collectors)

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Legislative Changes and Timeline

- Fund-raising regulations have been amended to prescribe the changes, requirements and penalties.
- Disclosure Regime will commence on 9 October 2023.
 - For appeals starting on 9 October 2023, charities are reminded to submit the disclosures on Charity Portal by 28 September 2023 (i.e. 7 working days before).
- Media release on the disclosure regime has been issued. The FAQs and sample templates
 have also been shared with charities via email.
- HHSC licence from Police or a fund-raising permit from NCSS is still required in the meantime, and charities can start making voluntary disclosures on the Charity Portal.
- From now till end September: Update charity profile in the Charity Portal, particularly Update Charity Basic Profile and Update Charity Contact Information.

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Safer Giving Campaign 2023

- A refreshed Safer Giving comms campaign is progressively being rolled out
- 45-sec video and infographics on safer giving will be amplified through:
 - Digital and social media platforms (e.g. YouTube, Instagram, Facebook, Tik Tok)
 - Out-of-home platforms (e.g. HDB digital display panels, hawker tabletop stickers, bus stop ads)
 - Radio stations
 - MCCY's partners (e.g. charities, Giving.sg)
- To combat scams, charities must educate your donors and stakeholders on informed giving and put in place proper internal controls when conducting the fund-raising appeals.
- If there are <u>reports on potential scams</u> relating to your charity's fund-raising appeals, file a police report immediately and publish an alert on your charity's website, if necessary.

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Commonly asked questions

- Under the disclosure regime, do I have to submit an audited statement of accounts after the appeal ends?
- No, the requirement is now subsumed under the charities' annual financial statements. The donations and expenditures related to the fund-raising appeal must be reported in the charities' financial statement.
- Does the disclosure regime apply to online fund-raising appeals?
- The disclosure regime is applicable only to public fund-raising appeals conducted by means of visits from house-to-house or by soliciting in streets or other public places, It does not apply to other forms of fund-raising such as online or via the media.

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Commonly asked questions

- Do we have to submit the disclosures for unmanned donation boxes?
- Yes, it is compulsory to submit the disclosures via the Charity Portal so long the donation boxes are placed in <u>publicly accessible places</u> (e.g. retail shops). This is regardless whether or not there is active solicitation by persons.
- Do we need to affix the charity's official letter for donation boxes placed in the public?
- It is not necessary for unmanned donation boxes unless there is active solicitation by persons (e.g. retail staff approaching the customers to make a donation).

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Charity Portal Training

Charities Unit

September 2023

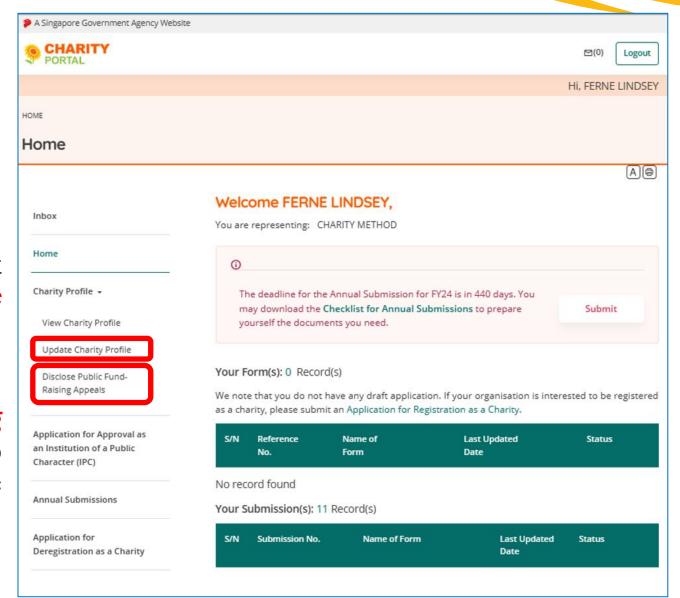


Charity Portal e-Services Homepage

Click *Update Charity Profile* on the left menu followed by *Update Charity Basic Profile*.

OR

Click **Disclose Public Fund-Raising Appeals** on the left menu (go directly to "Update Charity Basic Profile - Public Fund-Raising Appeals" section).





Public Fund-Raising Appeal

Please read the instructions before you submit your charity's public fund-raising details.

Click +Add Public Fund-Raising Appeal to add details of the public fund-raising plans for your charity.

Click the *ellipsis* icon next to the record to Update or Delete. Delete option is <u>not available</u> once the fund-raising appeal has started.

Note: Fund-raising appeal records will not be displayed on the Charity Portal after a lapse of 1 year from the end date of the collection period.

Public Fund-Raising Appeals

If you intend to conduct island-wide appeal(s) (e.g. flag days) by means of house to house visit, solicitation on the streets or other places or a combination of both means, please secure the date(s) of your appeal via BookingSG website before submitting the disclosure via the Charity Portal.

9	S/N	Purpose(s) of Public Fund- Raising Appeal	Start Date of Collection Period	End Date of Collection Period	
Ø	1	Programme Expenses	24/05/2023	31/05/2023	
Ø	2	Building Fund	24/05/2023	30/06/2023	Update Delete

+ Add Public Fund-Raising Appeal

Cancel

Save as Draft

Declare and Submit



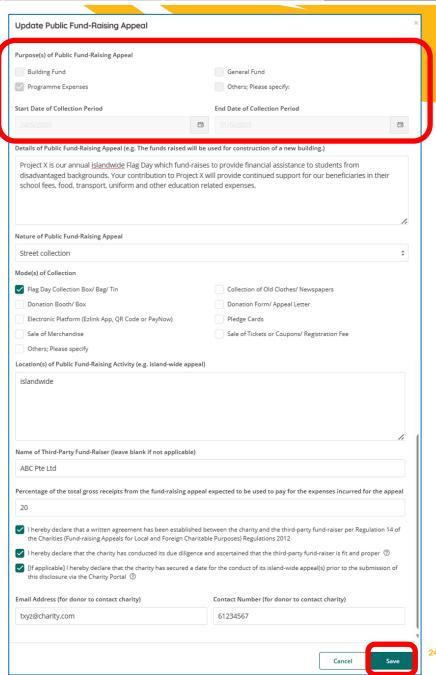
Public Fund-Raising Appeal

To add/update a public fund-raising appeal record,

- Start and End Date of Collection Period must be within a one year period;
- Start Date of Collection Period must be a future date (i.e. greater than current date); and
- There must be no existing record with the same Start and End Date of Collection Period.

Once the public fund-raising appeal has started, you will not be able to amend the **Start and End Date of Collection Period** and **Purpose of Public Fund-Raising Appeal**.

Click Save to save the local fund-raising appeal record.





Public Fund-Raising Appeal

For the purpose disclosures, please do not amend the other sections so that the submission can be auto-processed.

Click Declare and Submit after the updates.

Public Fund-Raising Appeals

If you intend to conduct island-wide appeal(s) (e.g. flag days) by means of house to house visit, solicitation on the streets or other places or a combination of both means, please secure the date(s) of your appeal via BookingSG website before submitting the disclosure via the Charity Portal.

②	S/N	Purpose(s) of Public Fund- Raising Appeal	Start Date of Collection Period	End Date of Collection Period	
Ø	1	Programme Expenses	24/05/2023	31/05/2023	:
Ø	2	Building Fund	24/05/2023	30/06/2023	:

+ Add Public Fund-Raising Appeal

Cancel

Save as Draft

Declare and Submit



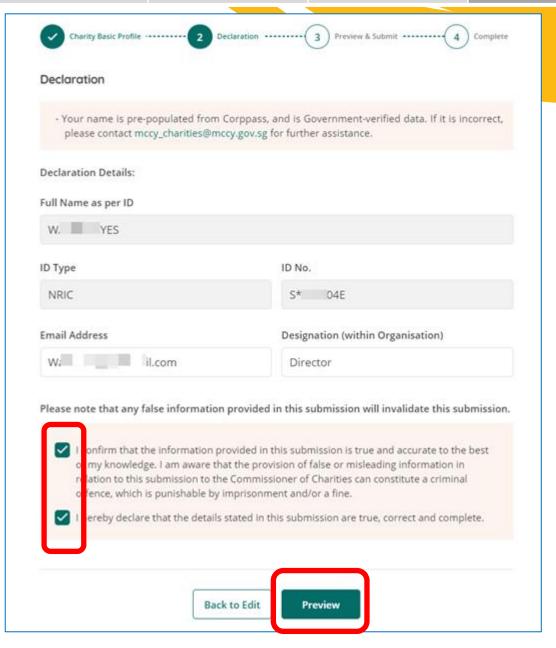
Declaration

The declarant's Full Name as per ID, ID Type, ID No. and Email Address are prepopulated from Corppass.

Declarant's name is non-editable as it is a Government-verified data. If it is incorrect, please contact CU for further assistance. mccy_charities@mccy.gov.sg

Read the declaration statements carefully and select declaration checkboxes.

Click *Preview* to go to Preview page.

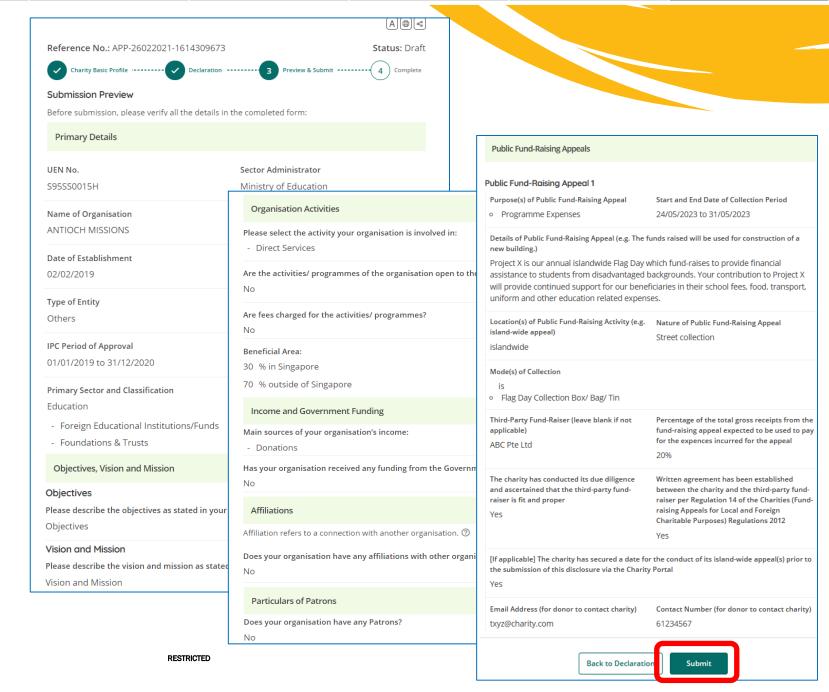




Preview

Verify the information that you have provided.

Click **Submit** to submit the completed form.



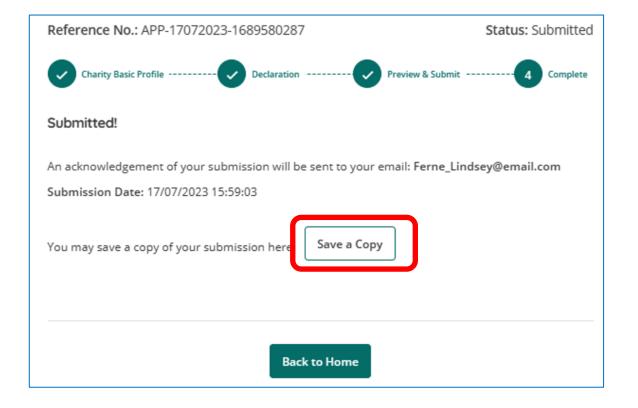


Acknowledgement

You will receive an acknowledgement of the submission.

Click Save a Copy to download the submission in PDF.

Once the submission is processed, you will receive an email attached with PDF document of new and updated Public Fund-Raising Appeal records.



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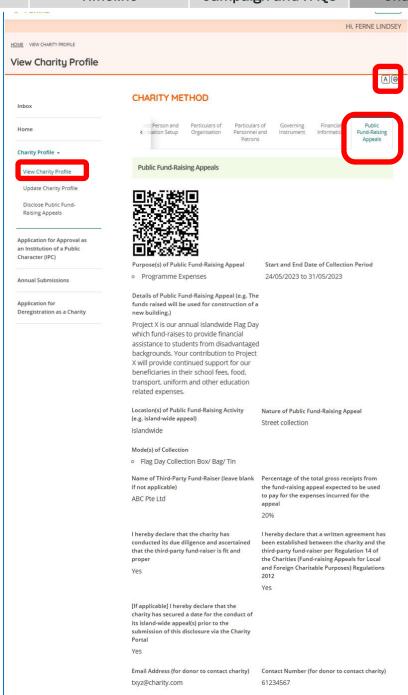


View Public Fund-Raising Appeal

Click *View Charity Profile* from the left menu, followed by the *Public Fund-Raising Appeals* tab to print out the QR Code and the public fund-raising plans for your charity. This QR Code is exclusive to your charity and must (if applicable) be incorporated in your charity's relevant fund-raising appeal materials for donors' ease of verification. The QR Code will lead the user <u>directly</u> to the charity's public fund-raising appeal records displayed on the Charity Portal.

Select the **Print** icon at the top right corner if you would like to print this page.

Note: Fund-raising appeal records will not be displayed on the Charity Portal after one year from the last day of the collection period.



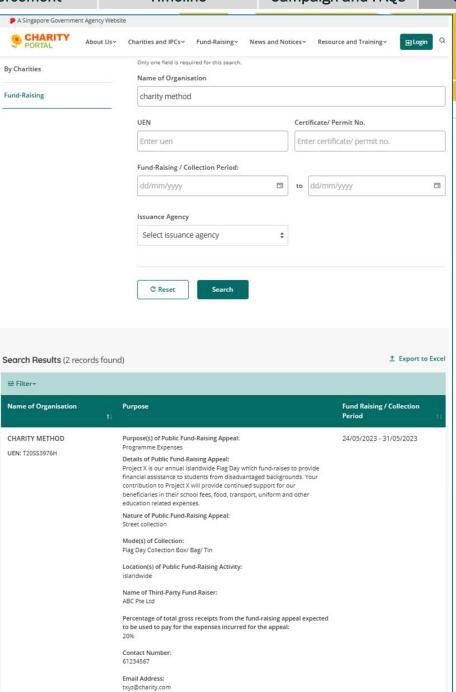
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Objectives

Charity Portal e-Search Page

Note: Fund-raising appeal records will not be displayed on the Charity Portal after <u>one year</u> from the last day of the collection period.





SMS Verification Service

 As there is no licence number, public can verify the authenticity of the collections using

SMS "FR<space>Organisation Name of fund-raiser" to 79777

Note: For SMS function, it will only return the active records (i.e. current date falls within the start and end date of collection period.

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Resources for Charities



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Q&A Session

Any other queries, please write in to the Charities Unit helpdesk at mccy_charities@mccy.gov.sg

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www.mccy.gov.sg

Thank You

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