

Charities Unit

Navigating the Revised Code of Governance and Resources

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OFFICE OF THE
**COMMISSIONER
OF CHARITIES**

Navigating the revised Code of Governance for Charities and IPCs & Resources

CMF Briefing Session

2 April 2024

- 1 Overview of the Code of Governance (Code)**
- 2 Highlights**
- 3 Key Revisions**
- 4 Resources**

Overview of the Code of Governance (Code)

Are you referring to the latest Code?

2007

- Launch of Code of Governance

2010

- 1st Code Refinement
- Published in 2011

2015

- 2nd Code Refinement
- Published in 2017

2021

- Revision
- Published in 2023

‘Comply or Explain’

Review or consider amending your governing instruments, by-laws and policies, if required.

Please refer to the latest Code from 1 January 2024.



<https://go.gov.sg/codeofgov>



Why should your art charity comply with the code?



**Build Trust and
Credibility**



Operate Effectively



**Make Meaningful
Impact**

Highlights



Are you in Tier 1 or 2?

TIER 1



Small and Medium Non-IPC Charities

With gross annual receipts or total expenditure (whichever is higher) from \$50,000 to less than \$10 million.

TIER 2



(i) ALL IPCs



(ii) Large Non-IPC Charities

With gross annual receipts or total expenditure (whichever is higher) of \$10 million or more.



Moving Towards Principle-based Approach



Principle 1

The charity serves its mission and achieves its objectives.

Principle 2

The charity has an effective Board and Management.

Principle 3

The charity acts responsibly, fairly and with integrity.

Principle 4

The charity is well-managed and plans for the future.

Principle 5

The charity is accountable and transparent.

Principle 6

The charity communicates actively to instil public confidence.

Reading the Code

1

Principle 1:
The charity serves its mission and achieves its objectives.

What does this principle cover?

- Purpose
- Strategic Planning
- Monitoring, Evaluating and Reporting of Impact

The charity understands its charitable purposes and continuously strives to achieve its mission and vision.

Why is this principle important?

A charity should fulfil not-for-profit and charitable purposes that meet the needs of its beneficiaries and stakeholders. It should adopt clear strategic plans when making decisions to achieve its charitable purposes, and actively monitor, evaluate and report its plans.

“Why do you exist, and who do you serve?”



2

Call for Action

- 1.1 Clearly state the charitable purposes (For example, vision and mission, objectives, use of resources, activities, and so on) and include the objectives in the charity's governing instrument. Publish the stated charitable purposes on platforms (For example, Charity Portal, website, social media channels, and so on) that can be easily accessed by the public.
- 1.2 Develop and implement strategic plans to achieve the stated charitable purposes.
- 1.3 Have the Board review the charity's strategic plans regularly to ensure that the charity is achieving its charitable purposes, and monitor, evaluate and report the outcome and impact of its activities.

3

PRINCIPLE 1

Additional Guidelines for Tier 2 charities

- 1.4 Document the plan for building the capacity and capability of the charity and ensure that the Board monitors the progress of this plan.

“Capacity” refers to a charity's infrastructure and operational resources while “capability” refers to its expertise, skills and knowledge.

Example

✓ The charity complies with the principle:

- A charity has clear written statements of its vision and mission, objectives, who they are, what they do, who the beneficiaries are and how they serve them. These statements are published on its website, social media, and brochures. When a member of the public contacts the charity, it can explain its charitable purposes and share how the charity's resources are being used to further its charitable purposes.

✗ The charity does not comply with the principle:

- A charity uses its funds to pay for political campaigns, which should not be the case. A charity should not allow its funds and/or premises to be used for political purposes and should refrain from conducting itself in a way that can be reasonably construed as involving partisan politics.

Aim to comply with all 38 guidelines.

PRINCIPLES	TIER 1 No. of GEC Guidelines	TIER 2 No. of GEC Guidelines
Principle 1: The charity serves its mission and achieves its objectives.	3	4
Principle 2*: The charity has an effective Board and Management.	8	10
Principle 3: The charity acts responsibly, fairly and with integrity.	6	6
Principle 4*: The charity is well-managed and plans for the future.	4	7
Principle 5*: The charity is accountable and transparent.	7	8
Principle 6: The charity communicates actively to instil public confidence.	2	3
TOTAL	30	38

*For ease of compliance, some guidelines are further split into sub-items in the GEC.



How to calculate your GEC Score?

RESPONSE	SCORE
Yes	2
No	0
Partial Compliance <ul style="list-style-type: none">• The charity is taking steps to comply with the guideline even if the charity has not yet fully met the requirement.• For guidelines with numerous subpoints (For example, developing internal controls), the charity should achieve 50% of the requirement.	1

Refer to the GEC self-assessment Excel file to calculate your GEC score.

Let's work together to achieve 100%!



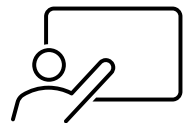
Governance Evaluation Checklist (GEC)



SUBMISSION is a LEGISLATIVE REQUIREMENT!



Approved by your charity's Board and Management.



Public viewing on Charity Portal

Please note that any false information provided in this submission will invalidate this submission.

- I confirm that the information provided in this submission is true and accurate to the best of my knowledge. I am aware that the provision of false or misleading information in relation to this submission to the Commissioner of Charities can constitute a criminal offence, which is punishable by imprisonment and/or a fine.
- I hereby declare that the Governing Board has approved this Governance Evaluation Checklist and has authorized me to submit this checklist on its behalf. All information given by me in this checklist submission is true to the best of my knowledge and I have not willfully suppressed any material fact.

A Singapore Government Agency Website

CHARITY PORTAL About Us Charities and IPCs Fund-Raising News and Notices Resource and Training Login

HOME / ADVANCE SEARCH FOR CHARITIES /

Organisation Profile Financial Information Annual Report **Governance Evaluation Checklist**

Please select the different evaluation period to view the GEC

S/N	Evaluation Period	Mandatory to submit GEC	Status
1	Apr 2022 - Mar 2023	Yes	Not Received
2	Apr 2021 - Mar 2022	Yes	On Time
3	Apr 2020 - Mar 2021	Yes	On Time

First batch of charities to submit GEC by June 2025

Submit within six months from the end of your charity's FY.

Financial Period	End date of charity's financial year	Deadline for GEC submission
1 Jan 2024 to 31 Dec 2024	31 Dec 2024	30 Jun 2025
1 Apr 2024 to 31 Mar 2025	31 Mar 2025	30 Sep 2025
1 Jun 2024 to 31 May 2025	31 May 2025	30 Nov 2025

Key Revisions



Environmental, Social And Governance (ESG)

Environmental

Charities are encouraged to conduct their work in an environmentally- friendly and sustainable manner.

(For example, taking reference from the Singapore Green Plan 2030, making green practices such as reduce, reuse, and recycle part of daily operations, using energy efficiently, and if a charity invests its excess funds, it should consider investing only in environmentally-conscious companies, and so on).



Social

Charities are encouraged to align their strategies to be socially-conscious and responsible.

(For example, providing care for the charities' stakeholders, show appreciation towards their community and their stakeholders, cultivate good relationships, and so on).



Governance

Charities are encouraged to achieve the highest standards of governance.

(For example, comply with all the applicable regulations and implement the Code guidelines, and so on).



ESG Guideline 3.5

Principle 3:

The charity acts responsibly, fairly and with integrity.

CALL FOR ACTION

CODE ID

Did the charity put this principle into action?

If you have indicated "No" or 'Partial Compliance', please explain.

17. Take into consideration the ESG factors when conducting the charity's activities.

3.5

- Yes
- No
- Partial Compliance

ESG Examples



JUSTICE FOR ALL

- About Us
- Get Legal Help
- Get Involved
- Pro Bono Stories
- News
- Events
- Contact Us

Pro Bono SG takes into consideration ESG factors in our activities, including by keeping our activities environmentally friendly and sustainable, maintaining good relationships with our stakeholders and maintaining high governance standards.

Environmental

Taking reference from the Singapore Green Plan 2030, we make green practices such as reduce, reuse, and recycle (3Rs) part of daily operations and use energy efficiently.



Tenants of the State Courts, an environmentally sustainable building awarded the BCA Green Mark Platinum award in 2018 for its innovative green features



Digitisation of information through electronic file management and digitalisation of access to justice services and processes, reducing use of paper



Flexibility for employees to work-from-home reducing need for commute



Building organisational awareness around topics such as food wastage and the conservation of water and energy



Mindful practice of 3Rs, through reusing event materials where possible, reducing and reusing plastic, repurposing items for multiple use and more.



Conscious purchasing by supporting vendors which make positive impact on society or the environment, such as social enterprises.

Social

Taking a person-centric approach and working hand in hand with community partners to provide multidisciplinary support for clients with legal



Governance

Shared Services partner of the Commissioner of Charities strengthening the charity sector through legal guidance and



"Volunteering at SSC allowed me to give back to society in a way I know best – to perform assurance engagements. Over the past week I was able to participate in my first ever audit for a charity, working alongside SSC team members.



Having experienced first-hand how a charity is run, I have only admiration and respect for those who have devoted their time and effort for a good cause. Do not be afraid to commit to a cause because you can never know what awaits you at the end of it. Giving is an act that pays forward and we make a difference by starting today.

Thank you Lian Sim, Wei Boon, Cindy, Teng, Diane and Aileen for welcoming me with open hearts and being ever ready to hear what I have to offer. It has been a great experience volunteering with SSC and I look forward to returning as a volunteer in the near future!"



- Vivien Tan -
Liberty Insurance Singapore



Term Limits – 10 years disclosure

ENHANCED/ADVANCED TIERS

1.1.13 The charity should establish term limits for all Board members to ensure steady renewal of the Board. These may be set out in the charity's governing instrument.

Re-appointment to the Board can be considered after a lapse of at least two years.

The charity should **disclose the reasons for retaining Board member(s) who have served on the Board for more than 10 consecutive years**, in its annual report.



Term Limits – Set 10 years

FOR TIER 2 CHARITIES

The term limit for all Board members should be

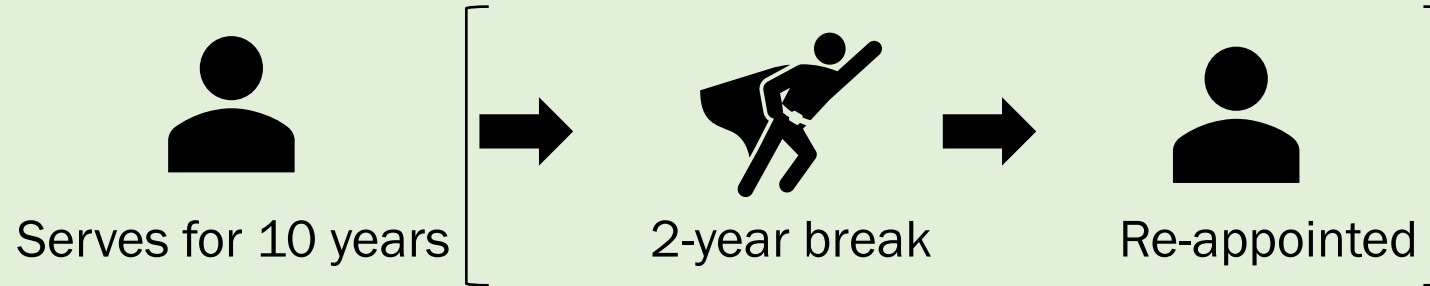
set at 10 consecutive years or less.

- Re-appointment can be considered after at least a two-year break.
- Extension beyond 10 years should be deliberated and approved at the general meeting where the Board member is being re-appointed or re-elected to serve for the charity's term of service.
- Disclose the reasons for retaining any Board member and the succession plan, in its annual report.

CALL FOR ACTION	CODE ID	Did the charity put this principle into action?	If you have indicated "No" or 'Partial Compliance', please explain.
<p>13. The term limit for all Board members should be set at 10 consecutive years or less. Re-appointment to the Board can be considered after at least a two-year break.</p> <p>For all Board members:</p> <p>a. Should the Board member leave the Board for less than two years, and when he/she is being re-appointed, the Board member's years of service would continue from the time he/she left the Board.</p> <p>b. Should the charity consider it necessary to retain a particular Board member (with or without office bearers' positions) beyond the maximum term limit of 10 consecutive years, the extension should be deliberated and approved at the general meeting where the Board member is being re-appointed or re-elected to serve for the charity's term of service. (For example, a charity with a two-year term of service would conduct its election once every two years at its general meeting).</p> <p>c. The charity should disclose the reasons for retaining any Board member who has served on the Board for more than 10 consecutive years, as well as its succession plan, in its annual report.</p>	<p>2.9a</p> <p>2.9b</p> <p>2.9c</p>	<p><input type="radio"/> Yes</p> <p><input type="radio"/> No</p> <p><input type="radio"/> Partial Compliance</p>	

Term Limits – illustration

A



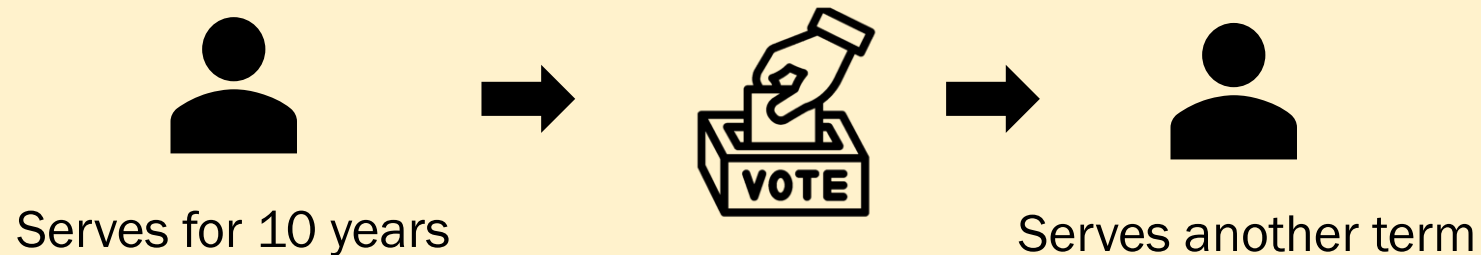
Compliance - Serves for 10 years, steps down for 2 years, re-appointed as BM (Refresh Board Term)

B



Compliance - Serves for 4 years, steps down for 1 year, re-appointed as BM (Continues Board Term: 5th)

C



Non-Compliance but explain in GEC and AR the strong need to retain, conduct an election, serves for another term.

Other Revisions

CODE 2017 – 1.3.1

The Board should meet regularly. The quorum required for a meeting should be **at least one-third of the Board or at least three members**, whichever is greater, if it is not stated in the charity's governing instrument.

CODE 2017 – 1.3.3

Proceedings and decisions of Board meetings should be minuted and circulated to the whole Board as soon as practicable.

REVISED CODE – 5.6B

28. Implement clear reporting structures so that the Board, Management, and staff can access all relevant information, advice, and resources to conduct their roles effectively.

- a. The Board meetings should have an appropriate quorum of at least half of the Board, if a quorum is not stated in the charity's governing instrument.

5.6b

- Yes
 No
 Partial Compliance

REVISED CODE – 5.6A

27. Implement clear reporting structures so that the Board, Management, and staff can access all relevant information, advice, and resources to conduct their roles effectively.

- a. Record relevant discussions, dissenting views and decisions in the minutes of general and Board meetings. Circulate the minutes of these meetings to the Board as soon as practicable.

5.6a

- Yes
 No
 Partial Compliance

Other Revisions

CODE 2017

Set internal policies for the charity on the following areas and regularly review them:

- Board strategies, functions, and responsibilities;
- Employment practices;
- Volunteer management;
- Finances;
- Investment (obtain advice from qualified professional advisors if this is deemed necessary by the Board);
- Service or quality standards; and
- Other key areas such as fund-raising

REVISED CODE – 4.4

25. Set internal policies for the charity on the following areas and regularly review them:

- a. Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT);
- b. Board strategies, functions, and responsibilities;
- c. Employment practices;
- d. Volunteer management;
- e. Finances;
- f. Information Technology (IT) including data privacy management and cyber-security;
- g. Investment (obtain advice from qualified professional advisors if this is deemed necessary by the Board);
- h. Service or quality standards; and
- i. Other key areas such as fund-raising and data protection.

4.4

- Yes
- No
- Partial Compliance

Other Revisions

CODE 2017 - 9.2

The Board should ensure that there are documented communication policies on the **release of information** about the charity and its activities to its stakeholders, including the media and the public, across all media platforms.

REVISED CODE - 6.3

38. Implement a media communication policy to help the Board and Management build positive relationships with the media and the public.

6.3

- Yes
- No
- Partial Compliance

Resources



Supporting Charities - Resources & Webinars

RESOURCES

Charity Portal >
Resource and Training >
Guides, Templates

Guides, Templates and Awards

Guides SOP and Templates Charity Transparency Framework and Scorecard

Guides

Detailed guides for Charities, IPCs, Fundraisers and Public

[Accounting Glossary For Charities and IPCs](#)

PDF, 196.5 Kb

Last Updated 3 November 2021

[Anti-Money Laundering And Counter-Terrorism Financing \(Issued in 09/13\)](#)

PDF, 42.8 Kb

Last Updated 3 November 2021



<https://go.gov.sg/charityguide>

WEBINARS

Charity Portal > Webinars >
Charities Lean Forward Series



<https://go.gov.sg/cocwebinars>

Supporting Charities - Charities Capability Fund (CCF)

**Up to
\$50,000
per project!**

Collaborate with at least one other charity to build capabilities/solutions that can be shared among yourselves.

- **Develop manuals.**
- **Design systems that can be co-shared.**



CCF COLLABORATION GRANT

***CREATE SHARED SOLUTIONS,
MAXIMIZE IMPACT!***



<https://go.gov.sg/cocccf>

Supporting Charities - Charities Capability Fund (CCF)

CCF ICT

Up to \$40,000

Purchase Basic Infrastructure and Onboard Digital solutions:

- computers, printers, broadband, website development, subscription charges of conferencing tools etc.
- donor/ HR management system etc.

Old laptops, no Wi-Fi in office, Donor Management System



Search for items, software or IT services



Apply for CCF



Implement project and submit claims



<https://go.gov.sg/cocccf>

Supporting Charities - Charities Capability Fund (CCF)

CCF SHARED SERVICES

Up to \$30,000

Outsource your corporate functions to third-party service providers in areas:

- payroll, finance, accounting, human resource and information technology functions

Need help to ensure employees get paid on time.



Search for accounting firms



Apply for CCF



Implement project and submit claims



<https://go.gov.sg/cocccf>

Supporting Charities - Charities Capability Fund (CCF)

CCF CONSULTANCY

Up to \$100,000

Engage consultants to review and draft policies and standard operating procedures:

- governance review
- internal audit
- ESG policy

Internal Audit/Develop
governance policies



Search for consultancy
firms



Apply for CCF



Implement project and
submit claims



<https://go.gov.sg/cocccf>

Supporting Charities - Charities Capability Fund (CCF)

CCF TRAINING

Up to \$1,000 per pax.

Training courses in key governance and management areas for:

- charities' board members
- staff (who have served in the charities for at least 6 months with an official designation)

Upskill Board members on fiduciary duties



Search for training courses



Apply for CCF



Attend course and submit claims



<https://go.gov.sg/cocccf>

Supporting Charities - Shared Services

HELP YOUR CHARITY TO GROW

Engage these shared services to strengthen your charity's regulatory compliance and efficiency of your back-end operations.

These partners provide guidance on various areas such as electronic regulatory submissions, governance-related matters, talent management and digitalisation through consultation clinics, training sessions and webinars.

SHARED SERVICES INITIATIVE



www.charities.gov.sg



<https://go.gov.sg/ssicharity>



**CENTRE FOR
NON-PROFIT
LEADERSHIP**



**HINDU
ENDOWMENTS
BOARD**



**INSTITUTE OF
SINGAPORE
CHARTERED
ACCOUNTANTS**



**The Institute of
Internal Auditors**
Singapore



JUSTICE FOR ALL



Reminder: Mandatory Annual Submissions

- Annual Report (AR)
- Financial Statements (FS)
 - Charities with GAR/TE >\$500k, and all IPCS, must have their FS externally audited.
- Governance Evaluation Checklist (GEC)

All annual submissions are due within 6 months from your charity's financial year end.

A Singapore Government Agency Website

CHARITY PORTAL

Logout

Hi, E

HOME

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Charity Profile ▾

View Charity Profile

Update Charity Profile

Application for Approval as an Institution of a Public Character (IPC)

Annual Submissions

Application for Deregistration as a Charity

Annual Return for Tax

Welcome **ELSPETH OWEN**,

You are representing: PACITO PRIVATE LIMITED

Important Notes:
You are required to update the Objectives, Vision and Mission of your charity. These details are needed to be displayed on the Charity Portal for public viewing. [Update](#)

The deadline for the Annual Submission for FY21 is in 180 days.
You may download the [Checklist for Annual Submissions](#) to prepare yourself the documents you need. [Submit](#)

Your Form(s): 3 Record(s)

To continue with the Application for Registration as a Charity, please select the reference no.

S/N	Reference No.	Name of Form	Last Updated Date	Status
1	APP-25092020-	Update Governing Board Members	03/03/2021	Draft

Thank You

For enquires on the Code of Governance, please contact the
Charity Council Secretariat at charity_council_sec@mccy.gov.sg