S’pore charity rules ‘fair’, says head of leading fundraising body

By CONRAD RAJ

SINGAPORE’S proposed new rules for charities and other institutions of public character (IPCs) yesterday won praise from the president and chief executive officer of one of the world’s leading fundraising bodies.

Paulette V Maehara of the Association of Fundraising Professionals said the rules proposed by the Inter-Ministry Committee on the regulation of charities and IPCs were “fair and reasonable”.

The committee was established following the National Kidney Foundation scandal where corporate governance was found to be lacking.

“It’s good they didn’t over-react, and their call for self-regulation is critical, as the charities sector has become too large for a one-size-fits-all strategy,” Ms Maehara said.

She also supported the committee’s call for strict enforcement of the rules to maintain standards and public confidence, as well as the need for greater transparency among these fundraising organisations.

The association, based in Alexandria, Virginia, represents more than 26,000 individual fundraisers in more than 170 chapters throughout the US and the rest of the world. There are chapters in Singapore, Jakarta and Hong Kong.

Ms Maehara felt that Singapore needed a ratings agency to aid donors to identify the better charities in a self-regulatory environment.

Benedict Cheong, CEO of the National Council of Social Services, who was on the panel of yesterday’s seminar, organised by the Singapore Management University, suggested that larger donors could start rating the charities.

“Otherwise, the government could perhaps fund a ratings body,” he said.

Ms Maehara also suggested that a professional fundraiser sit on the proposed Charity Council.

She initially felt that the 70/30 rule under which no more than 30 per cent could be spent on fundraising expenses was too onerous, as smaller organisations and start-ups have greater expenses.

However, she appeared persuaded by former acting minister for community development Seet Ai Mee, who said that it was not too great a burden as it only referred to fundraising activities and to not-taxable funds.

To ensure that charities are well run, board members must be well versed in fundraising, especially on ethical matters and governance issues, Ms Maehara said.

She said her association was working on a universal code of ethics for fundraising to create a baseline of expectations for donors round the world, and to give more credibility to the profession.