

Students create guide to know charities better

Six NUS law students set up Transparency for Good, a social enterprise aimed at giving a clearer idea of how donations are spent



Tan Ooi Boon
Invest Editor

Many of us donate to charity and likely want to do more but there is always one question eating away at us: Which one really deserves our hard-earned money?

Even if you have a beneficiary in mind, there are the nagging doubts that your money will not really help those in need or that a large portion of the donation will go towards the organisation's admin costs.

So wouldn't it be great if there was an impartial and trusted service that lists many of those lesser-known charities deserving of your help?

This has led a group of six students from the National University of Singapore's Faculty of Law to set up a social enterprise – Transparency for Good – aimed at helping the public get a clearer idea of how charities operate.

It provides a simple "transparency guide" of all the charities' bookkeeping processes so that you can get a clear picture of how they raise funds and how they spent them.

Using a combination of legal, fact-finding and accounting skills, the team examines the audited financial statements of charities and then presents the results in various charts and clear summaries that give donors a good overview of their operations and financial health.

The team also supplies a financial review, such as whether a charity

operates on a net surplus, which is crucial to keep the work going. They also highlight other key information, such as the percentage of the funds that has been spent on running events as well as how many beneficiaries have been helped in each fund-raising drive.

Team member Chester Chin, 24, a final-year law student, says: "Stepping into the donor's shoes, the donor might want to support charities that are financially sustainable, and have a significant proportion of their spending going to the beneficiaries."

"We thought that by creating such a knowledge resource, we can help such donors make more informed decisions. Charities that are willing to be transparent can also attract donations from such donors."

What is laudable is that this initiative started as a class project under the Business and Finance for Lawyers module that the students take as part of their four-year course.

Four other students in the group are Ms Arumugham Aishwarya, 20, Ms Bryna Tan, 21, Mr Qian Yan Shan, 23, and Mr Reeve Chia, 23, who are all in their third year.

The sixth student, Ms Jolena Ang, 30, is working as a corporate legal adviser but is taking a part-time graduate programme in business and financial services.

Students taking the Business and Finance for Lawyers module usually undertake projects that end with the course, but members of this team have their lecturer, Associate Professor Stephen Phua, to thank for inspiring them to take on such an ambitious cause which has taken a life of its own.

Six charities have come on board and their work will be featured at transparencyforgood.org. Some charities have declined to

take part because they are unsure how the frank disclosure of their financial statements will impact their public donations. But the team is confident more charities will sign up after they see the results.

Prof Phua hopes the project can be the catalyst for the creation of an online platform that matches the demand for donations and supply of philanthropy.

"Imagine one day you can drop money into the online bags of the charities in need. They will disappear from the list once the target amount is hit," he notes.

The team now plans to recruit more students for the effort as well as work with like-minded non-profit organisations such as giving.sg.

They also see themselves continuing to steer the project even when they start working.

Ms Aishwarya says: "This is a cause I strongly believe in and I should be able to contribute through a managerial position to either get more charities on board or to develop the existing website

into a better platform."

Ms Ang knows she can continue with this project after the course because she has been a full-time lawyer for the past five years. "I believe that my experience in a corporate setting has been and will continue to be useful in providing the team with resources, contacts, and suggestions on how to move this project forward."

The team's examination of the six charities on the site has revealed five trends when it comes to public donations.

- Most donations come from familiar donors. This probably explains why there is a steady stream of money even though the charities have limited resources to publicise their work. While this is a positive trend, there is a risk of revenue falling if regular donors drop out.

- The pandemic has been both a boon and bane for charities. Operating expenses have dropped as most staff have to work from home. Many programmes have also been cancelled or postponed due to various restrictions, which means activities intended for beneficiaries have to stop too. Some fund-raising activities such as fun fairs or charity dinners have to be scrapped due to restrictions on social gatherings.

- Charities prefer public donations that do not come with any strings attached. This is because such funding allows them to create new activities for beneficiaries as well as launch pilot fund-raising projects.

That said, the charities still welcome donations that come with conditions. Some common examples include using the funds to buy certain essential

items for beneficiaries as stipulated by donors.

- It is not just about money. Sometimes charities need volunteers to help run activities. Other times, they may need support in kind, such as buses to ferry beneficiaries or venues to conduct events.

- Smaller charities face major ups and downs in their accounts. In some cases, the absence or presence of one-off fund-raising events could mean the donations for that year could vary by almost 90 per cent. This is because smaller charities deal with smaller absolute numbers, amplifying any minute changes to their financial status.

Therefore, it is important to explain these fluctuations better so that donors don't tighten their purse strings if they see "big" increases in donations.

Ms Melisa Wong, executive director of Babes Pregnancy Crisis Support, which helps low-income teenage mothers, is glad to be one of the pioneer members of this project. "This is something that most charities will not be able to do on their own as specialised skills are needed to go deeper and break the financial statements down into portions that are easy to understand," she notes.

"This is adding value for our donors so that they have a better idea how their donations can make a difference."

She intends to highlight what the university team has done for her organisation on its own website so more people can read it.

"It is definitely good to have a team of lawyers start an impartial and independent platform to give charities here a boost."

ooiboon@sph.com.sg

The team behind Transparency for Good initiative, which started as a class project at the National University of Singapore's Faculty of Law: (front row from left) Ms Bryna Tan, Ms Arumugham Aishwarya and Ms Jolena Ang; and (back row, from left) Mr Qian Yan Shan, Mr Chester Chin and Mr Reeve Chia.

ST PHOTO: MARK CHEONG

WIN-WIN SITUATION

We thought that by creating such a knowledge resource, we can help such donors make more informed decisions. Charities that are willing to be transparent can also attract donations from such donors.



LAW STUDENT CHESTER CHIN, one of the six behind Transparency for Good.

Charities that need your support

From young women facing pregnancy crisis to kids from broken homes and victims of domestic violence – there are charities that can help them.

Here are some examples of the charities that a team of NUS law students reviewed in their Transparency for Good (TFG) project, which is designed to give donors a clearer picture of how their money is being used.

HAGAR SINGAPORE

An expert in care and recovery programmes, this charity helps those affected by trauma as well as the people around them.

More recently, Hagar has been offering programmes for women through its support office here and partnering with organisations in Myanmar to increase their capacity to provide trauma-informed care.

Donations are its main source of income. Its local programme expenses have risen in the past year due to its work helping migrant workers tide over the pandemic. Not only do they provide essential items, but they also offer emotional support and job-seeking assistance.

Travel curbs have prevented foreign workers from going home

to their families during festive seasons. Last year, Hagar was still able to organise a Christmas party for its beneficiaries, with most participating virtually from their respective locations.

"The highly customised initiatives of Hagar Singapore make them a worthy charity to support," the TFG team says. It notes that Hagar also needs volunteers to help run events for beneficiaries. Go to hagar.org.sg to support them.

RED PENCIL

This outfit does excellent work in providing art therapy to vulnerable groups, such as children, helping them verbalise emotions and improve social competency so that their emotional well-being improves.

But the pandemic has hit Red Pencil badly, resulting in a significant decrease in public donations. While it receives government grants, donations from the public are still an important source of funds.

Covid-19 has led it to develop art therapy programmes to ensure vulnerable individuals can still get the support they need during these stressful times. For instance, its online art therapy exper-

iential workshops help beneficiaries cope with the pandemic and its impact on their personal, family, social and work lives.

"Hence, they greatly appreciate monetary donations and welcome volunteers for their events or activities," the TFG team says. Find out more at redpencil.org

BABES PREGNANCY CRISIS SUPPORT

They are the guardian angels of pregnant women below 21 by providing information and community resources that facilitate responsible decision-making.

Babes goes through the options with a soon-to-be mother with a view to helping her plan the next steps.

The group's caseworkers meet the girl at a time and place she is comfortable with. The caseworker will ensure she is well supported by her family, friends and wider community in her decision and can carry out her wishes as best as possible. She will also be linked to formal and informal community resources.

The charity is financially healthy. In the past three years, it has become less reliant on government grants and more on public donations.

Despite fund-raising challenges brought about by the pandemic, the charity has continued to raise money to assist low-income teenage mothers and engage them through educational online activities.

"The charity will continue to require public donations to sustain its charitable programmes and support for teenage mothers," the TFG team notes.

Support them at babes.org.sg

FOOTBALLPLUS

Its football academy works with many young people from disadvantaged and low-income families, giving out subsidies or full sponsorship to enable them to be involved in the weekly training. It also provides mentorship, football coaching and financial assistance to disadvantaged children and youth.

It relies on public donations for most of its events.

"The charity's biggest strength is that most of its spending goes directly to its football academy programme. A large portion of the charity's expenses is required for rental of football facilities to hold their training sessions and for manpower fees," the TFG team notes.

The academy welcomes volunteers with football coaching experience or youth mentoring experience. Selected coaches will also be given the opportunity to upgrade themselves through various training and developmental schemes, which include training courses and overseas attachment programmes.

Find out more about their work at footballplus.org

Anyone donating to an approved Institution of a Public Character before the year ends will enjoy tax deductions of 2.5 times the qualifying donation amount for the next tax year.

Tan Ooi Boon

A boy practising in a FootballPlus programme last December. The academy works with youth from disadvantaged and low-income families. ST PHOTO: JOEL CHAN

