



CODE OF GOVERNANCE

PREAMBLE

Caritas Singapore & Board Establishment

- 1 The Caritas Singapore Community Council Limited (“Caritas Singapore” or “the Council”) is a company limited by guarantee. It shall be governed by an effective board of volunteer directors (“the Council’s Board” or the Board), appointed by the Archbishop of the Catholic Archdiocese of Singapore.
- 2 The duties and responsibilities, powers, organisation and functions of the Board are provided in the Council’s Memorandum & Articles of Association and this Code of Governance (“the Caritas Singapore Code”), and subject to the Companies Act (Cap 50).
- 3 The Council is also a registered charity and shall operate within the rules and regulations of the Charities Act (Cap 37). As a registered charity, Caritas Singapore is exempt from tax.

CSCC Agape Fund & Trustees Establishment

- 4 The Council has set up a trust fund, the CSCC Agape Fund (“the Fund”), through a declaration of trust (“the Trust Deed”). The Fund shall be governed by a board of trustees (“the Trustees”) appointed by the Council’s Board.
- 5 The duties and responsibilities, powers, organisation and functions of the Trustees are provided in the Trust Deed and subject to the Trustees Act (Cap 337).
- 6 The Fund is a registered charity and an Institution of Public Character (“IPC”), and it shall operate within the rules and regulations of the Charities Act (Cap 37) and the IPC rules and regulations administered by the National Council for Social Services. As an IPC, the Fund can issue tax-exempt donation receipts.

The Caritas Singapore Code of Governance

- 7 Caritas Singapore recognises that it is accountable to all its stakeholders as all its members, under its umbrella, are charitable organisations working for the benefit of the broader community. For Caritas Singapore and its members to be effective, there must be confidence and public trust in its works. Good governance is therefore paramount.
- 8 The Board and Trustees are fully committed to ensuring that Caritas Singapore practices the highest standard of governance. The
- 9 Caritas Singapore Code is established to articulate and communicate the governance standards and best practices that it wishes to uphold.
- 10 It is intended that the Caritas Singapore Code shall also provide a model of governance for the member organisations under its umbrella.

- 11 This Code has been developed for the full operation of Caritas Singapore, and about the Board and the Trustees' duties and responsibilities, they shall ensure that there shall be consistency and compliance with the principles and requirements of this Code.
- 12 Caritas Singapore, the Board and the Trustees shall develop appropriate policies, processes and structures to ensure that the spirit, and not just the letter of this Code, is fully complied with. Two such specific documents are:
 - (a) The Staff Manual which contains human resource policies and guidelines, as well as office matters
 - (b) The Finance and Accounting Policy Manual, which sets out the Council's financial and accounting guidelines.

Relationship to the Charity Council Code

- 13 The Charity Council has produced a Code of Governance for Charities and IPCs ("the Charity Council Code"). In addition, the Charity Council has also produced an Evaluation Checklist for Submission on the Charity Portal for charities to regularly report on its compliance with the Charity Code.
- 14 The Charity Council Code guidelines are tiered into Basic¹, Enhanced² and Advanced³ sections according to the IPC status and size of the charity. Similarly, there are different versions of the Evaluation Checklist, based on IPC status and size of the charity.
- 15 Caritas Singapore has developed its Code by adapting and building upon the Charity Council Code. For comparability, the numbering sequence of the Charity Council Code has been maintained, with new clauses shown as extensions e.g., 1.1.2A will be added after 1.1.2. The main differences between the Charity Council Code and the Caritas Singapore Code are summarized in Appendix 1.
- 16 Although Caritas Singapore falls only under the Enhanced section (and not the Advanced section) of the Charity Council Code, the Board and Trustees have chosen to adopt all the sections, including the Advanced section, in establishing the Caritas Singapore Code.
- 17 In reporting to the authorities, the Board and Trustees shall submit the Evaluation Checklist applicable to Caritas Singapore, a sample of which is provided in Appendix 2.

¹ Basic tier applies to all charities and IPCs

² Enhanced tier applies to all IPCs and large charities with gross annual receipts of \$10 million or more

³ Advanced tier applies to large IPC with gross annual receipts of \$10 million or more

Code of Ethics

- 18 The Caritas Singapore Code has an additional section (Section 10 – Code of Ethics) over the Charity Council Code. The Code of Ethics recognizes that it is, first and foremost, a Catholic organization, and its conduct and values should thus reflect the Catholic ethos.

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1. BOARD GOVERNANCE

General Principle: Caritas Singapore is governed by a volunteer Board whose members are appointed by the Archbishop of the Catholic Archdiocese of Singapore in accordance with its Memorandum and Articles of Association. As the highest policy and decision-making body, the Board has the responsibility of ensuring that Caritas Singapore is governed and managed responsibly and prudently to ensure its effectiveness, credibility and sustainability.

1.1 Board Roles, Composition & Bye-laws

Basic

1.1.1 Board Roles: Board members are responsible for directing the affairs of Caritas Singapore, ensuring it is well-managed, and delivering the following charitable objectives⁴:

- (a) To initiate, assist and organise such forms of relief and schemes of social services to alleviate distress or poverty amongst people regardless of their race or religion.
- (b) To better and more effectively serve the poor, the needy and all people by researching, analysing the needs and developing the strategies and activities of the various social and community organisations.
- (c) To provide leadership and direction and support for the various Catholic social and community organisations to better serve the broader community.
- (d) To synergise resources and co-ordinate common activities of various social and community organisations, including but not limited to fund raising, volunteer recruitment and matching, capacity building, governance practices, shared services and shared practices; and
- (e) To provide a network and promote a community for various social and community organisations to facilitate an exchange of ideas, gathering of resources, and promoting research and development of strategies and actions to be undertaken to more effectively serve the poor, the needy and the community generally.

The Board shall also have the powers set out in the Memorandum of Association of Caritas Singapore.

1.1.2 Independence: All Board members shall exercise independent judgement and act in the best interest of Caritas Singapore. To ensure objectivity in decision-making, the Board shall comprise only of non-executive members⁵. Non-executive members shall not receive any remuneration as members of the Board. Paid staff of Caritas Singapore shall not become members of the Board.

1.1.3 Bye-Laws: The Board's composition, election or appointment, power, tenure and proceedings, including the maintenance of records, shall be in accordance with the

⁴ Memorandum of Association of Caritas Singapore para 3(i) to (v)

⁵ The Articles of Association of Caritas Singapore para 32 does not specify whether executive staff can become Board members

Articles of Association of Caritas Singapore. The guidelines for its Board composition and appointments can be found in Appendix 3.

1.1.4 Distinction of Duties: Board and committee members are expected to help with the work from time to time. Where Board members are directly involved in operational decisions and matters, those concerned should make a clear distinction between their Board role and their operational work.

1.1.5 Staff attendance at Board meetings: The day-to-day operations of Caritas Singapore shall be managed by an Executive team led by a full-time Executive Director. The Executive Director and when appropriate, members of the Executive team may attend Board meetings, as ex-officio, to provide information and facilitate necessary discussions but they shall not take part in decision-making or have any vote.

1.1.6 Term Limit: Term limits for board members and key appointments are set out in Appendix 3, “Guidelines for Board Composition and Appointments.”

1.1.7 Board Renewal: The Board shall have a strategy for its own renewal, with succession planning arrangements in place to ensure continuity and timely replacement of Board members resigning or completing their terms of office. Particular attention shall be given to succession planning for key office bearers. Specific guidelines for renewal are provided in Appendix 3.

Enhanced

1.1.8 Voting: Decisions of the Board should generally be made based on group consensus. However, where a vote is required, each Director shall have one vote. The Chairperson of the meeting shall have the casting vote.

1.1.9 Qualifications & Training: The Board shall comprise members who possess suitable personal attributes⁶, core skills/competencies and commitment⁷. The Board shall work to achieve these competencies by attending structured training (e.g., courses in governance and core competencies) during their term of office.

Orientation briefings and documents shall be given to each new Board member to properly induct and familiarise them about their responsibilities and the operations of Caritas Singapore. Board members are informed of relevant trainings for Board by NCSS, COC, NVPC, SID etc.

Advanced

1.1.10 Board Evaluation: The Board shall conduct a written self-evaluation survey at least once a year to assess the performance⁸ and effectiveness of the Board as a

⁶ Suitable personal attributes include integrity, informed judgement, financial literacy, mature confidence, high standards of excellence

⁷ Core competencies include accounting, finance, legal, human resources, business & management, strategic planning, fundraising, property, technology, media and sectoral knowledge (health, social services, education, religious, etc)

⁸ Such as attendance, preparedness, participation and candour

whole. Based on this evaluation, the Board shall, where appropriate, consider process improvements, new board programs and new members for appointment to the Board.

1.2 Board Structure

1.2.1 The Board shall establish infrastructural and program committees, with documented terms of reference*(Appendix 5), to assist with the governance and programmes of Caritas Singapore. Infrastructural committees shall comprise:

- (a) Executive Committee
- (b) Audit Committee
- (c) Finance & Grants Committee
- (d) Investment Committee
- (e) Nominating Committee

The number and type of program committees may change from year to year, but would typically include the following functions:

- (a) Membership Committee
- (b) Formation Committee
- (c) Fundraising Committee
- (d) Communications Committee
- (e) Programs Committee
- (f) Agape Village Committee
- (g) Parish Engagement Committee
- (h) Advocacy & Research Committee
- (i) Young Adults Committee
- (j) IT Committee
- (k) Volunteer Management (no committee)

1.2.1A. Each Board committee shall be chaired by a Board member. The chair of the Audit Committee shall not concurrently chair the Finance and/or Investment Committee.

1.2.1B. The Board is empowered to establish other appropriate or necessary project committees or task forces for specific projects or subprograms, from time to time. Project committees need not be chaired by a Board member, but the Board shall establish the necessary representation and communications with the project committee or task force.

1.3 Board Meetings

Basic

1.3.1 Proceedings and decisions of the Board, Trustees and committee meetings should be minuted and circulated to all concerned within two weeks of the meeting.

1.3.2 The Board shall meet at least once every quarter while the Trustees shall meet at least once a year to make effective use of the time, skills and knowledge of the members. The quorum required for a meeting is at least one-third of the Board as set out in the Articles of Association.

1.3.3 Board members shall make every effort to attend all Board meetings during their tenure.

2. STRATEGIC PLANNING

General Principle: Caritas Singapore is established to accomplish the objectives set out in its Memorandum of Association for the benefit of society. The vision and mission of Caritas Singapore shall be clearly articulated, and the charitable work shall be carefully planned and implemented.

2.1 Vision and Mission

Basic

2.1.1 The mission and vision of Caritas Singapore are as follows:

Mission: To provide leadership to the Catholic community in Singapore in fulfilling the Church's social mission for the benefit of the broader community.

Vision: To be the hub of a vibrant Church's social outreach to the broader community and a model of social innovation and Christian leadership.

In addition, the Board shall ensure that Caritas Singapore carries out its mission and vision in accordance with the teachings and doctrines of the Catholic Church as set out in the Code of Ethics (see Section 10), and that it regularly informs its stakeholders concerning the work that it undertakes. This shall be done through its annual report, its website and the Catholic media.

The Board shall also review its mission and vision periodically to ensure their relevance to its changing environment and needs.

Enhanced

2.1.2 The Board shall define and approve the intermediate and long-term outcomes of Caritas Singapore, clearly document and communicate them to its stakeholders. The Board shall review these outcomes at least once in each Board term to ensure their relevance to its changing environment and needs.

2.2 Operations Plan

Basic

2.2.1 The Board shall ensure that Caritas Singapore has adequate resources for its operations and programmes, and that such resources are effectively, efficiently and prudently managed. Broad-based programmes shall be identified annually, and Board committees formed to develop actions and initiatives in each programme area.

Enhanced

2.2.2 The Board shall approve an annual work plan for Caritas Singapore to ensure that the activities are aligned to its charitable objectives. The Board shall review the plan periodically.

2.2.3 Caritas Singapore shall, where appropriate, collaborate or network with other church organizations, other charities, corporate partners, community and national organisations for greater efficiency in the use of shared resources and for the advantage of its beneficiaries or members.

2.2.4 The Board shall ensure that there is adequate reporting of the progress of its programmes and outcomes to relevant stakeholders on its website, through the Catholic media and in its annual report.

Advanced

2.2.5 The Board shall ensure that, as part of the annual work plan, there is a current and updated plan on developing the capability of Caritas Singapore and shall monitor the progress of this plan. It shall also measure the overall organisational performance of the Council.

3. CONFLICTS OF INTEREST

General Principle: Board members and staff shall act in the best interest Caritas Singapore. Clear policies and procedures shall be set, and measures taken to declare, prevent and address conflict of interest that could affect the integrity, fairness and accountability of Caritas Singapore.

3.1 Related Party Transaction

Basic

3.1.1 Conflicts of Interest Policy: All Board members and staff of Caritas Singapore shall provide a disclosure of their interests in all other organisations in which they are directors or have control or have a substantial shareholding or monetary interest to the Board when they are newly appointed and whenever there are updates. Such disclosures shall be circulated to all Board members and any potential conflict of interests documented.

3.1.2 Management of Conflicts of Interest: Where Board members have:

- (a) personal interest in business transactions or contracts that Caritas Singapore may enter; or
- (b) vested interest in other organisations that Caritas Singapore has dealings with or is considering entering joint ventures; or
- (c) personal interest as its suppliers, service users, beneficiaries; this shall be reported to the Board and recorded as soon as possible.

Where a conflict of interest arises at a Board meeting, the Board member concerned shall not vote on the matter. He or she should declare his or her interest and offer to withdraw from the meeting, and the other Board members shall decide if this is required. The basis in arriving at the final decision on the transaction or contract shall be documented in the minutes of meeting.

3.1.3 Staff Appointment of Related Parties: Appointment of paid staff, who are direct family members of Board members or other existing staff, shall be notified to and be approved by the Board, in addition to being employed only through the established human resource procedures for recruitment. Board members or paid staff shall make a declaration of such relationships and refrain from influencing decisions during the recruitment process.

3.1.3A Conflict of interests of organizational members: Caritas Singapore has several organizational members that function within the framework of the Catholic Church. Its major financial relationship with these organizational members is that of a grant-maker. The Board shall ensure that there is an established grant-making process to properly evaluate the basis of all grants given to member organizations of Caritas Singapore. Information on the names of the related parties and their transactions shall be disclosed in its annual financial report.

4. PROGRAMME MANAGEMENT

General Principle: The programmes conducted by Caritas Singapore determine the charity work that it sets out to accomplish. They shall be carefully planned, tracked and reviewed to ensure relevancy to its mission and vision.

Basic

4.1 Caritas Singapore shall ensure that operations and programmes are directed towards achieving the stated outcomes, mission and vision.

4.2 Caritas Singapore shall ensure that the outcomes of each programme are clearly defined.

4.3 The Board shall be regularly updated on the progress of its programmes, and services.

Enhanced

4.4 Caritas Singapore shall develop an evaluation system that measures the effectiveness and efficiency of the programmes and that their outcomes are in line with its mission and objectives.

5. HUMAN RESOURCE MANAGEMENT

General Principle: Human resource is an important asset of Caritas Singapore. It has a pool of paid staff and volunteers to run its operations and programmes and shall have human resource policies to address these groups of people.

5.1 Staff and Volunteers

Basic

5.1.1 Human Resource Policy: Caritas Singapore shall ensure that its Staff Manual contain documented human resource policies approved by the Board for paid staff and volunteers. Appointment to the position of Executive Director shall be approved by the Board. All other appointments shall be made by the Executive Director, subject to clause 3.1.3.

Enhanced

5.1.2 Volunteer Management: Caritas Singapore shall have a staff responsible for volunteer management. This staff shall be guided by an appropriate Board committee.

5.1.3 Reference Checks: The Board shall ensure that there are procedures for reference checks before the appointment of the Executive Director and the Finance executive(s). Background check on volunteers shall be carried where applicable.

5.1.4 Recruitment: The human resource policies shall aim to attract suitable staff and volunteers with the appropriate type and level of qualification, experience and motivation. An orientation program shall be conducted for new staff.

5.1.5 Performance Appraisal: The Board shall ensure that systems are set up for the regular supervision, appraisal and personal development of the Executive Director and its other paid staff. Caritas Singapore shall also ensure a fair and transparent performance review and appraisal system for its Executive Director and its other paid staff and, where appropriate, as well as for key volunteers.

5.1.6 Staff Remuneration: No paid staff shall be involved in setting their own remuneration. The Board shall ensure that there is a system for setting the remuneration of paid staff (including the Executive Director) which is benchmarked against other charitable organisations. Where there is a performance related element in the remuneration package, it should be linked to the achievement of measurable targets appropriate to the objectives of Caritas Singapore.

5.1.7 Reimbursement: Reimbursement policies and procedures shall be prescribed in the Finance and Accounting Policy Manual.

5.1.8 Training: Caritas Singapore shall ensure a system to identify training needs of staff and volunteers to equip them with the necessary skills to perform their jobs effectively.

Advanced

5.1.9 Insurance: There shall be appropriate insurance coverage for staff and, where appropriate, for volunteers.

5.1.10 Feedback Channels: All staff and volunteer shall be informed that should they have any issues or concerns or grievances, they are able to contact or feedback directly to the Executive Director and if necessary, to any members of the Board.

5.1.11 Conflict Resolution: Any major dispute or conflict or grievances between staff and/or volunteers shall be resolved by the Executive Director. In the event the Executive Director is in conflict, this shall be brought to the attention of an appropriate Board member or committee chairperson who will use his or her best endeavours to resolve it.

5.1.12 Exit Policies: Staff who are resigning shall be interviewed by the Executive Director, and the Executive Director by the Executive Committee, to ascertain their reasons for resigning and shall also be reminded that they are not to disclose any confidential information pertaining to Caritas Singapore to any other party. A record of the exit interview shall be prepared.

6. FINANCIAL MANAGEMENT AND CONTROLS

General Principle: Being an organization providing services for the good of its members and having donated funds as its major source of income for its operations, Caritas Singapore shall have sound financial management and compliance with applicable laws to ensure accountable and legitimate use of its resources.

6.1 Budget Planning and Monitoring

Basic

6.1.1 The Board shall approve an annual budget appropriate for the corporate and programme plans of Caritas Singapore and monitor regularly its budget expenditure to prevent or minimise operating deficits.

Financial statements with comparative budget figures shall be presented to the Board meeting, with analysis and explanations for major variances, if any, for Board discussion and adoption.

6.2 Operational Controls

Basic

6.2.1 The Board shall have a policy to approve any loans or donations made by Caritas Singapore.

6.2.2 The Board shall ensure periodic internal audit on controls, processes, key programmes and events (e.g., fund raising).

6.2.3. Caritas Singapore shall ensure that internal control systems are in place with documented procedures in the Finance and Accounting Policy Manual, approved by the Board, for financial matters, such as:

- (a) Procurement procedures and controls
- (b) Quotation or tender procedures and controls for purchases above certain amount
- (c) Receipting, payment procedures and controls such as dual signatories
- (d) System for the delegation of authority and limits of approval

6.3 Asset Management

Basic

6.3.1 Caritas Singapore shall maintain some level of reserves⁹ to ensure long-term financial sustainability. A reserves policy¹⁰ shall be defined in the Finance Policy Manual and disclosed in its annual report.

⁹ "Reserves" is used to describe that part of its income funds that is freely available for its operating purposes not subject to commitments, planned expenditure and spending limits. "Reserves" normally excludes permanent endowment funds, expendable endowment funds, designated and restricted funds.

¹⁰ A policy on reserves states the level of reserves held and why they are held. Where material funds have been designated, the reserves policy statement should quantify and explain the purpose of the designations and were set aside for future expenditure, the likely timing of that expenditure.

The reserves of Caritas Singapore are generated from two income funds, namely: the General Fund and the CSCC Agape Fund. Donations requiring tax exemptions need to be received into the CSCC Agape Fund which has IPC status. Other donations are generally received into its General Fund, although it may also be received into the CSCC Agape Fund.

Creation of any other funds including designated funds, endowment or restricted funds shall be decided by the Board and disclosed in its annual report.

6.3.2 Caritas Singapore shall ensure that capital funds, if required, are only set up for clear and justifiable needs. It shall ensure that prospective donors are informed of the purpose of the funds, amount of funds needed and the planned timing of the capital development (such as planned commencement and targeted completion dates). Where there are such funds, Caritas Singapore shall disclose the purpose and size of each fund as well as planned timing of the capital development in its annual report.

6.3.3 Caritas Singapore shall ensure that the capital of all endowment funds is not utilised or transferred to other funds unless explicit permission is given by the donor(s) of the endowment fund. It shall ensure, within reason, that the endowment funds are utilised for the purposes stipulated by the donor(s). Where there are such endowment funds, it shall disclose the purpose and size of each fund in its annual report.

6.3.4 Caritas Singapore shall maintain a fixed asset register to account for all its fixed assets. It shall safeguard the value of its assets by arranging for adequate insurance coverage.

Advanced

6.3.5 Caritas Singapore shall invest its reserves in accordance with an investment policy approved by the Board. The Board shall obtain advice from qualified professional advisors, where appropriate.

6.3.6 The Board shall have a policy to ensure that the facilities and assets of Caritas Singapore are efficiently utilised for its maximum value.

7. FUND-RAISING PRACTICES

General Principle: As fund-raising is one of the key interactions between Caritas Singapore and the public, it shall ensure that its fund-raising activities are transparent, ethical and uphold the public's confidence in the causes of the charity.

7.1 Fund-Raising Practices

7.1.1 Caritas Singapore and its fund-raisers shall ensure that the conduct and communication of its fund-raising activities will preserve its integrity and transparency and promote the public trust and confidence in the Council and its activities.

7.1.2 In its communications with donors and the public, Caritas Singapore and its fundraisers shall avoid stirring negative emotions. It shall observe the following:

- (a) Avoid stirring feelings of guilt in the public who may not wish to donate.
- (b) Show respect for the dignity of those benefiting from the appeal.
- (c) Avoid making comparisons of charitable organisations.
- (d) Avoid presenting an exaggerated impression of the scope or nature of the cause or problem handled by Caritas Singapore.
- (e) Avoid misleading the public with regards to the purpose and use of the donations.
- (f) Avoid the use of messages or images that discriminate against any race, religion or culture; and
- (g) Not subject prospective donors to coercion, harassment or undue pressure.

7.1.3 When Caritas Singapore has accumulated sufficient reserves in accordance with its Reserve Policy, it shall not actively raise more donations than is needed unless there are concrete plans to expand its activities or services.

7.1.4 The use and application of the Council's name and logos by third parties must be approved by a member of the Executive Committee.

7.2 Financial Accountability

General Principle: Caritas Singapore shall ensure that proper accounting practices and records are maintained for the fund-raising activities.

7.2.1 Caritas Singapore and its fund-raisers shall ensure the prompt banking of solicited funds as prescribed in the Finance and Accounting Policy Manual. Caritas Singapore shall also ensure that fund-raisers transfer collected funds to it on a timely basis.

7.3 Accountability to Donors

General Principle: Caritas Singapore and its fund-raisers shall be accountable to their donors for the donations received.

7.3.1 Caritas Singapore and its fund-raisers shall ensure that donors receive informed and ethical advice about the Council, intended use of donation, value and tax implications of potential donations.

7.3.2 Caritas Singapore shall, whenever possible, express appreciation to their donors through “thank you” letters, tokens, certificates, award ceremonies, or some other similar means. However, it shall guard against overspending on such initiatives.

7.4 Confidentiality of Donors

General Principle: Caritas Singapore and its fund-raisers shall respect donors’ confidentiality.

7.4.1 Caritas Singapore and its fund-raisers shall enquire whether donors wish to be named or to remain anonymous or state its practice upfront on any public recognition of donors.

7.4.2 Caritas Singapore and its fund-raisers shall honour any request by donors to be excluded from the donors list.

7.4.3 Caritas Singapore and its fund-raisers shall respect any request by donors or prospective donors to reduce or discontinue contacting them in total or to restrict the frequency of solicitations, using mailings, email, telephone or other approaches.

7.5 Interests of Fund-Raising Personnel

General Principle: Caritas Singapore and its fund-raisers shall effectively manage and take care of the interests of its fund-raising personnel.

7.5.1 Caritas Singapore and its fund-raisers shall take reasonable care to ensure the welfare and safety of all fund-raising personnel.

7.5.2 Caritas Singapore and its fund-raisers engaging children below 16 years of age to raise funds shall obtain prior approval from the relevant regulatory authorities and consent from the parents or guardians of those children. Parents or guardians should have the right to decline such requests. For fund raising within the Church, the relevant authority that Caritas Singapore should seek approval from is the Archbishop or his Vicar General for archdiocesan-wide fund-raising, or the relevant Parish Priest for parish-based fund-raising.

7.5.3 Caritas Singapore and its fund-raisers shall ensure that children below 16 years of age who are engaged in fund-raising are encouraged to do so in the spirit of

volunteerism and giving. Appreciation for their acts may be given and are encouraged. However, incentives that will be seen as dishonouring the spirit of volunteerism shall be avoided.

7.5.4 Caritas Singapore and its fund-raisers shall brief all fund-raising personnel (staff, volunteers, hired solicitors) on all relevant aspects of the Council and the fund-raising exercise, so that they understand and are able to communicate these to prospective donors.

7.5.5 Caritas Singapore shall, whenever possible, express appreciation to the volunteers and other fund-raising personnel.

7.6 Use of Commercial Third-Party Fund-Raisers¹¹

General Principle: Caritas Singapore shall be prudent in engaging commercial third-party fundraisers. Notwithstanding the use of a third-party fundraiser, Caritas Singapore itself remains responsible for complying with this Code as if it carries out the fundraising activities itself.

7.6.1 Caritas Singapore shall exercise due care in engaging commercial third-party fund-raisers. It shall consider how the use of such commercial third-party fund-raisers may be perceived by the donating public.

7.6.2 The use of a commercial third-party fund-raiser, its rationale and the detailed arrangements should be disclosed to and formally approved by the Board.

7.6.3 A contract in writing should be entered with the commercial third party incorporating the following details:

- (a) Roles and responsibilities of Caritas Singapore and the commercial third-party fund-raisers.
- (b) Fund-raising concept and methodology.
- (c) Period, venue and other details of fund-raising events.
- (d) Intellectual property right for publicity materials.
- (e) Budget for fund-raising activity costs.
- (f) Agreement on the retainer and salaries to paid manpower, if any.
- (g) Allocation of proceeds to designated charities of Caritas Singapore, such as guarantee amount and term for delivery of proceeds.
- (h) Procedures for settling disputes.
- (i) Clauses for termination of the contract.
- (j) Indemnity clauses.
- (k) Proper accounting procedures for monies received and expended.
- (l) Proper and fair representation of Caritas Singapore in all publicity materials;
and

¹¹ A commercial third-party fund-raiser means any person who for reward solicits or otherwise procures money or other property for, or purportedly for, the benefit of an approved institution of a public character. It excludes service providers who are paid a fixed fee in return for services rendered in the fund-raising event, e.g., event companies.

(m) Legitimacy of the commercial third-party fund-raiser.

7.6.4 In general, paying commercial third-party fund-raisers based on finders' fees, commissions or other payments based on the value of donations is discouraged. Donations shall be based on a target set to meet the needs of Caritas Singapore.

7.7 Co-Ventures¹²

General Principle: Caritas Singapore shall be prudent in entering into co-ventures.

7.7.1 Caritas Singapore shall exercise due care in entering co-ventures. It shall consider how the specific co-venture partners will be perceived by the donating public and the implication of such co-ventures on the charities' image and reputation.

7.7.2 All co-ventures shall be approved by the Board.

7.7.3 An agreement which sets out the details of the arrangement should be worked out in writing with the co-venture partner. The following items should be included in such an arrangement:

- (a) Roles and responsibilities of Caritas Singapore and the co-venture partners.
- (b) Co-venture concept and methodology.
- (c) Period, venue and other details of fund-raising event(s).
- (d) Intellectual property right for publicity materials.
- (e) Specifics of any items to be paid or potentially paid for by Caritas Singapore.
- (f) Specifics of the sharing arrangement for revenue from the co-venture partner.
- (g) Procedures for settling disputes.
- (h) Clauses for termination of the contract.
- (i) Indemnity clauses.
- (j) Proper accounting procedures for monies received and expended.
- (k) Proper and fair representation of Caritas Singapore in all publicity materials;
and
- (l) Limitations on use and communication of its name and assets by the co-venture partner.

7.7.4 Caritas Singapore shall monitor the progress of the co-venture to ensure that it is functioning as intended and properly.

¹² A co-venture is an arrangement with a commercial organization where the IPC receives some financial benefits in the sale of products and/or services by the commercial organization.

8. DISCLOSURE AND TRANSPARENCY

General Principle: As Caritas Singapore operates with public support through both donations and the use of volunteers, it shall be transparent in its operations to maintain the integrity of serving for public trust and community good instead of personal gain. As such, Caritas Singapore shall demonstrate its openness to the public by providing the public with information about its mission, structure, programmes, activities, performance and finances.

Basic

8.1.1 Caritas Singapore shall make available to its stakeholders an annual report on the charity's programmes, activities, audited financial statements and listing of members on its governing Board and executive management. Financial accounts shall be tabled at the Annual General Meeting if required by the governing document.

Enhanced

8.1.2 The Board members shall not receive any remuneration. If there are any benefits received by any individual Board member, these shall be disclosed in its annual report

8.1.3 Caritas Singapore shall disclose the annual remuneration of the top three key executives in salary bands of less than \$100,000, and subsequent bands of \$50,000 in the annual report. For example, amongst the top three executives, how many receive annual remuneration of less than \$100,000, how many receive annual remuneration between \$100,000 to \$150,000, etc.

8.1.4 Caritas will disclose the dates of appointment of its executive management in the Annual Report, relevant websites like COC, NCSS etc.

8.1.5 Caritas will provide a brief introductory profile on past job experiences of its executive heads in the Annual Report, relevant websites like COC, NCSS etc.

9. PUBLIC RELATIONS AND CORPORATE COMMUNICATIONS

General Principle: Caritas Singapore provides important services to the community. It therefore needs to communicate its mission, programmes or activities to key stakeholders and respond readily to requests for such information.

9.1 Public Image

Basic

9.1.1 Caritas Singapore shall build up a positive image and represent the interest of its beneficiaries. The Board shall ensure that Caritas Singapore does not engage in any form of party politics or misrepresent itself to the public.

Enhanced

9.1.2 The Board shall ensure that there are procedures relating to releasing information about Caritas Singapore and its activities to the media, its stakeholders and the public.

9.1.3 The Board has designated the Chairman, the Deputy Chairman and the Executive Director as the official spokespersons for Caritas Singapore. However, for specific matters, the Board may designate the appropriate Board member or staff as the official spokesperson.

10. CODE OF ETHICS

10.1.1 This Code of Ethics defines the moral responsibility of Caritas Singapore as a Catholic organisation. Its purpose is to assure that Caritas Singapore and its member organisations carry out their moral responsibility, in undertaking the social mission of the Church.

10.1.2 All the policies, programmes, procedures and practices of Caritas Singapore and its member organisations are to be guided by and be faithful to the biblical values, teachings and doctrines of the Catholic Church.

10.1.3 The mission of Caritas Singapore is to further the Church's social mission and Catholic Social Teachings. These social teachings are contained in scripture, papal encyclicals and other Church documents through the ages, and are compiled in the Compendium of the Social Doctrine of the Church. Caritas Singapore has summarized these teachings into ten principles (see "Appendix 4 – Principles of Catholic Social Teachings").

10.1.4 The decisions and actions of Caritas Singapore shall be based upon and support the principles of Catholic Social Teachings. In essence, these principles emphasize:

- (a) the sanctity and dignity of human life created by God, from the moment of its conception until death.
- (b) the value and integrity of the human person.
- (c) the sacredness of the union of man and woman in marriage and the central role of the family in human life & in society.
- (d) seeking conditions that enhance the common good and promoting peace and goodwill amongst all men.

10.1.5 The Church's and Caritas Singapore's outreach is to assist the underprivileged, the vulnerable and those who are suffering and in the allocation of limited resources, priority shall be to serve those who are poorest and most in need.

10.1.6 Race, religion, intellect, sex, belief or disability will not prejudice or preclude any person from the services or programmes provided by Caritas Singapore or its member organisations.

10.1.7 Caritas Singapore will seek to realize in action the virtues of charity and justice in all relationships with staff, volunteers, the people served, and the larger community.

10.1.8 Caritas Singapore will function faithfully within the mission and structures of the archdiocese of Singapore and the worldwide Church, with proper respect for the role of the diocesan bishop and priests.

10.1.9 Caritas Singapore shall conform and abide by all relevant civil laws in its governance, and at the same time, it will hold itself free to seek peacefully to change oppressive civil laws.

10.1.10 Caritas Singapore shall conform and abide by the canon law of the Catholic Church in its governance, programmes and practices.

10.1.11 Caritas Singapore shall not make investments in or accept donations and support from organisations engaged in unethical or immoral practices. Any practices that are contrary to its social mission, whether directly or indirectly are deemed to be unethical or immoral. This includes, but is not limited to, the following:

- Morally objectionable businesses or activities such as armament productions or sales, illegal addiction inducing drugs, gambling or betting, pornography, morally undesirable entertainment and tobacco products.
- Entities which have a history of unjust labour practice, labour rights violation or exploitation of women or child labour.
- Entities which do not have sound corporate governance and business practices and policies, or good regulatory, legal and environmental compliance track records.
- Entities which have business practices that are not in accordance with the United Nations Global Compact initiative.

Appendix 1: Differences Between the Caritas Singapore Code & The Charity Council's Code
(For Large IPCs¹³ – Basic, Enhanced & Advanced Tiers)

The table below attempts to highlight all the differences between the Caritas Singapore Code and Charity Council's Code issued on 26 November 2007.

Charity Council Code		Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
No.	Board Governance					
1	Board Roles, Composition and Bye-laws					
	<i>Basic</i>					
1.1.1	Board Roles ○ Accept responsibilities ○ Deliver charitable objectives	1.1.1		Y		Added the details of the charitable objectives of Caritas Singapore from its M&A
1.1.2	Independence ○ Wholly non-executive ○ Paid staff not more than 1/3 of the Board ○ Paid staff not Chairperson	1.1.2		Y		Directors are not paid, and paid staff are not permitted on the Board.
1.1.3	Bye-Laws ○ Board composition ○ Election or appointment ○ Terms of reference ○ Tenure of office bearers	1.1.3		Y		Added Board composition and appointment guidelines in Appendix 3
1.1.4	Distinction of Duties ○ Those concerned to make clear the distinction	1.1.4	Y*			
1.1.5	Staff attendance at Board meetings ○ As ex-officio ○ No decision making or voting ability	1.1.5	Y			

¹³ Large IPCs are defined as having gross annual receipts of \$10 million or more in each of its 2 immediate preceding financial years.

¹⁴ "Same" wordings as the Charity Council Code and where the words are slightly modified, an asterisk (Y*) is denoted next to the answer.

¹⁵ "Higher requirement" than the Charity Council Code

¹⁶ "Variation" from the Charity Council Code

Charity Council Code		Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
1.1.6	Term Limit <ul style="list-style-type: none"> ○ Maximum term limit of four consecutive years for the Treasurer (or equivalent¹⁷) position ○ Set term limits to ensure steady renewal of Board members 	1.1.6	Y*			<ul style="list-style-type: none"> ○ Guidelines in Appendix III
1.1.7	Board Renewal <ul style="list-style-type: none"> ○ Strategy for renewal ○ Succession planning for Chairperson, Treasurer and other key office bearers 	1.1.7	Y*			<ul style="list-style-type: none"> ○ Guidelines in Appendix III ○ Succession planning in progress
	<i>Enhanced</i>					
1.1.8	Voting <ul style="list-style-type: none"> ○ One vote per member 	1.1.8	Y*			<ul style="list-style-type: none"> ○ Generally, by consensus and voting only when required
1.1.9	Qualification & Training <ul style="list-style-type: none"> ○ Competent & committed members ○ Attending structured training ○ Proper induction for new members 	1.1.9	Y*			<ul style="list-style-type: none"> ○ Board pack
	<i>Advanced</i>					
1.1.10	Board Evaluation <ul style="list-style-type: none"> ○ Regular self-evaluation to assess performance and effectiveness 	1.1.10	Y*			<ul style="list-style-type: none"> ○ At least once in 2 years' on the Board as a whole
1.2	Board Structure					
1.2.1	Board committees with documented terms of reference	1.2.1 1.2.1A 1.2.1B		Y		<ul style="list-style-type: none"> ○ Each Board comm. to be chaired by a Board member
	<i>Basic</i>					
	(a) Audit. (b) Programmes and Services;	(a) & (a) - (g)	Y*			<ul style="list-style-type: none"> ○ Infrastructural and Program committees
	<i>Enhanced</i>					

¹⁷ Examples of equivalent positions to the Treasurer could be the Audit or Finance Committee Chairperson. The Treasurer and Audit Committee Chairperson should preferably possess recognised accounting qualifications and appropriate practical experience.

Charity Council Code		Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
	(c) Fund-raising. (d) Appointment/ Nomination ¹⁸ ; (e) Human Resource ¹⁹ ; and	(d) & (a)	Y			○ HR is under Exco
	<i>Advanced</i>					
	(f) Investment.	(c)	Y			○ Investment Comm
1.3	Board Meetings					
	<i>Basic</i>					
1.3.1	Proceedings & decisions ○ Minute & circulate	1.3.1	Y			○ Within two weeks
1.3.2	Meetings ○ Regularly ○ Quorum at least 1/3 of the Board	1.3.2	Y			○ At least once a quarter
1.3.3	Make every effort to attend all Board meetings	1.3.3	Y			
2	Strategic Planning					
2.1	Vision & Mission					
	<i>Basic</i>					
2.1.1	Vision & Mission ○ Board to define and approve ○ Clearly document and communicate ○ Review periodically	2.1.1	Y*			○ Mission and Vision expounded ○ Linked to Code of Ethics
	<i>Enhanced</i>					
2.1.2	Intermediate and Long-term outcomes ○ Board to define and approve ○ Clearly document and communicate ○ Review at least once in each Board term	2.1.2	Y			○ Broad-based programmes
2.2	Operations Plan					
	<i>Basic</i>					
2.2.1	Resources ○ Adequate for operations and programmes	2.2.1	Y			

¹⁸ Nomination and appointment of Board members.

¹⁹ Or Remuneration Committee.

Charity Council Code	Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
○ Effectively and efficiently manage					
<i>Enhanced</i>					
2.2.2 Strategic plan ○ Board to approve and periodically review	2.2.2	Y			○ Annual work plan
2.2.3 Collaborate with others	2.2.3	Y			
2.2.4 Adequate reporting of programmes and outcomes	2.2.4	Y			○ Website, Catholic media and Annual Report
<i>Advanced</i>					
2.2.5 Capability Development ○ Board to ensure plan is current and updated ○ Monitor progress ○ Measure overall organisational performance	2.2.5	Y			○ Part of the Annual work plan
3. Conflicts of Interest					
3.1 Related Party Transaction					
<i>Basic</i>					
3.1.1 Conflicts of Interest Policy ○ Documented procedures ○ Declaration of conflicts at the earliest opportunity.	3.1.1	Y			○ HR Manual & Directors' and staff disclosures
3.1.2 Management of Conflicts of Interest ○ Members with conflicts do not vote ○ Offer to withdraw from meeting ○ Basis of decision documented.	3.1.2 3.1.4	Y			○ Board decides who to stay for meeting. ○ Established grant process.
3.1.3 Staff Appointment of Related Parties ○ Go through HR procedures ○ Members to disclose relationship and refrain from decision process.	3.1.3	Y			○ HR Manual
4. Programme Management					

Charity Council Code	Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
	<i>Basic</i>				
4.1	Ops and programmes directed towards stated outcomes, mission & vision	4.1	Y		○ Grant process
4.2	Outcomes of each programme are clearly defined	4.2	Y		○ Grant process
4.3	Regular updates to Board	4.3	Y		○ Program Dept
	<i>Enhanced</i>				
4.4	Evaluation system to measure effectiveness & efficiency of programmes	4.4	Y		○ Grant process
5.	Human Resource Management				
5.1	Staff & Volunteers				
	<i>Basic</i>				
5.1.1	HR Policy for paid staff and volunteers ○ Documented & approved by the Board	5.1.1	Y		○ HR Manual ○ Volunteer Management Handbook
	<i>Enhanced</i>				
5.1.2	Volunteer management system in place	5.1.2	Y		
5.1.3	Reference checks ○ Executive Head ○ Key staff who controls considerable sum of money ○ Volunteers where applicable	5.1.3	Y		○ ED & finance executives and all staff. ○ Only background checks for volunteers
5.1.4	Recruitment ○ HR policies to ensure job fit	5.1.4	Y		○ HR Manual
5.1.5	Performance Appraisal ○ Systems are set up for regular ²⁰ supervision, appraisal and personal development of the executive head, paid staff (and volunteers, where appropriate).	5.1.5	Y		○ Regular supervision and feedback processes ○ Confirmation Appraisal ○ Annual appraisal
5.1.6	Staff Remuneration	5.1.6	Y		○ Exco decides

²⁰ Annually, where appropriate.

Charity Council Code		Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
	<ul style="list-style-type: none"> ○ No paid staff or Board member (<i>where applicable</i>) is involved in setting his own remuneration. 					<ul style="list-style-type: none"> ○ Remunerations are benchmarked against other charitable organizations
5.1.7	Reimbursement <ul style="list-style-type: none"> ○ Documented procedures 	5.1.7	Y			<ul style="list-style-type: none"> ○ Financial Policy Manual
5.1.8	Training <ul style="list-style-type: none"> ○ Identification of training needs 	5.1.8	Y			<ul style="list-style-type: none"> ○ HR Manual
	<i>Advanced</i>					
5.1.9	Insurance <ul style="list-style-type: none"> ○ For Board, staff and volunteers & Agency 	5.1.9	Y			<ul style="list-style-type: none"> ○ Outpatient & Inpatient Medical Group Personal Accident, Workmen Compensation, Commercial All risks & Association Liability
5.1.10	Feedback Channels or Whistle-blowing policy <ul style="list-style-type: none"> ○ Appropriate & effective 	5.1.10	Y			<ul style="list-style-type: none"> ○ To ED, Audit Chairman or any Board member
5.1.11	Conflict Resolution <ul style="list-style-type: none"> ○ To address grievances and resolve conflicts for staff and volunteers 	5.1.11	Y			<ul style="list-style-type: none"> ○ To ED, HR Manager or escalate to Chairman/Audit Chairman or any appropriate Board member
5.1.12	Exit Policies <ul style="list-style-type: none"> ○ Exit interviews 	5.1.12	Y			<ul style="list-style-type: none"> ○ Staff by HR Manager and ED by Exco
6.	Financial Management & Controls					
6.1	Budget Planning & Monitoring					
	<i>Basic</i>					

Charity Council Code		Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
6.1.1	Annual Budget ○ Board to approve budget ○ Monitor budgeted expenditure regularly.	6.1.1	Y			○ Quarterly monitoring and reports to Board and monthly reports by Finance Dept to ED.
6.2	Operational Controls					
	<i>Basic</i>					
6.2.1	Loan approval policy	6.2.1	Y			○ Finance Policy Manual
6.2.2	Periodic internal audit	6.2.2	Y			○ Under audit comm
6.2.3	Internal control systems are in place with documented procedures, approved by the Board, for financial matters.	6.2.3	Y			○ Finance Policy Manual
6.3	Asset Management					
	<i>Basic</i>					
6.3.1	○ Reserves Policy ○ Separate Funds	6.3.1	Y			○ Annual Report
6.3.2	○ Capital Funds	6.3.2	Y			○ Annual Report
6.3.3	○ Endowment Funds	6.3.3	Y			○ Annual Report
6.3.4	○ Fixed Asset Register ○ Sufficient insurance coverage	6.3.4	Y			○ Finance Policy Manual
	<i>Advanced</i>					
6.3.5	Investment Policy ○ Board to approve ○ Within constitution ○ Seek advice from qualified professional advisors, where appropriate.	6.3.5	Y			○ Under Finance & Investment Comm
6.3.6	○ Policy to efficiently utilised facilities and assets for maximum value to the charity	6.3.6	Y			○ Under Finance & Investment Comm
7.	Good Fund-Raising Practices (Guidelines)					
7.1	Fund-Raising Practices					

Charity Council Code		Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
7.1.1	Conduct and communication of fund-raising activities <ul style="list-style-type: none"> ○ Preserve integrity and transparency of the charity ○ Promote public trust & confidence 	7.1.1	Y			
7.1.2	Communication with Donors and Public <ul style="list-style-type: none"> ○ Avoid stirring negative emotions 	7.1.2	Y			
7.1.3	Charities with sufficient reserves <ul style="list-style-type: none"> ○ Should not raise more donations unless there are concrete plans for expansion 	7.1.3	Y			
7.1.4	System of approval for use of charity's name & logo	7.1.4	Y*			○ Approved by a Exco Member
7.2	Financial Accountability					
7.2.1	Prompt banking and transfer of solicited funds	7.2.1	Y			○ Finance Policy Manual
7.3	Accountability to Donors					
7.3.1	Donors receive informed & ethical advice <ul style="list-style-type: none"> ○ On the charity ○ Intended use of donations ○ Value and tax implications 	7.3.1	Y			
7.3.2	Express appreciation to Donors but guard against overspending	7.3.2	Y			
7.4	Confidentiality of Donors					
7.4.1	<ul style="list-style-type: none"> ○ State upfront the Charity's practice on any public recognition of Donors ○ Enquire if Donors wish to be named or to remain anonymous 	7.4.1	Y			

Charity Council Code		Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
7.4.2	Honour any request by Donors to be excluded from Donors list	7.4.2	Y			
7.4.3	Honour any request by Donors to <ul style="list-style-type: none"> ○ Reduce, discontinue or restrict frequency of solicitations 	7.4.3	Y			
7.5	Interest of Fund-Raising Personnel					
7.5.1	Reasonable care on welfare & safety of all fund-raising personnel	7.5.1	Y			
7.5.2	Prior approval from authorities & parents if engaging children >16 yrs	7.5.2	Y*			○ Approval from ArchBishop or Vicar General
7.5.3	For these children, avoid incentives seen as dishonouring the spirit of volunteerism & giving	7.5.3	Y			
7.5.4	Comprehensive briefing to all fund-raising personnel	7.5.4	Y			
7.5.5	Express appreciation to volunteers & other fund-raising personnel whenever possible	7.5.5	Y			
7.6	Use of Commercial 3rd Party Fund-Raisers²¹					
7.6.1	Due care in engaging commercial 3 rd parties	7.6.1	Y			
7.6.2	Board to approve the use of 3 rd parties, its rationale and detailed arrangements	7.6.2	Y			
7.6.3	To draw up contract in writing	7.6.3	Y			
7.6.4	In general, finders' fees ²² , commissions or other payments based on the value of the donations is discouraged	7.6.4	Y			

²¹ A commercial 3rd party fund-raiser means any person who for a reward solicits or otherwise procures money or other property for, or purportedly for, the benefit of an approved IPC. It excludes service providers who are paid a fixed fee in return for services rendered in the fund-raising event, e.g., event companies.

²² Fee paid for bringing in a donor or a charitable contribution to the IPC

Charity Council Code	Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
7.7	Co-Ventures²³				
7.7.1	Due care in entering co-ventures	7.7.1	Y		
7.7.2	Board to approve the co-venture	7.7.2	Y		
7.7.3	To draw up an agreement in writing	7.7.3	Y		
7.7.4	To monitor progress	7.7.4	Y		
8.	Disclosure & Transparency				
	<i>Basic</i>				
8.1.1	<ul style="list-style-type: none"> ○ To make available Annual report to all stakeholders ○ <i>To table financial accounts at the Annual General Meeting, if required by the governing document</i> 	8.1.1	Y		<ul style="list-style-type: none"> ○ Annual Report
	<i>Enhanced</i>				
8.1.2	<ul style="list-style-type: none"> ○ Board members are not remunerated for their Board services. ○ The exact remuneration and benefits received by each individual Board member are disclosed in the annual report. 	8.1.2		Y	<ul style="list-style-type: none"> ○ No remuneration for Board members
8.1.3	The annual remuneration of the top three key executives in salary bands of less than \$100,000, and subsequent bands of \$50,000 are disclosed in the annual report.	8.1.3	Y		<ul style="list-style-type: none"> ○ Annual Report
9.	Public Relations & Corporate Communications				
	<i>Basic</i>				

²³ A co-venture is an arrangement with a commercial organization where the IPC receives some financial benefits in the sale of products and/or services by the commercial organization

Charity Council Code		Code No.	Same ¹⁴	Higher Requirement ¹⁵	Variation ¹⁶	Remarks
9.1.1	<ul style="list-style-type: none"> ○ Build positive image & represent the interest of beneficiaries ○ Ensure that the charity does not engage in any form of party politics or misrepresent itself to the public 	9.1.1	Y			
	<i>Enhanced</i>					
9.1.2	Procedures in place relating to the release of information to media, stakeholders and public	9.1.2	Y			
9.1.3	There is a designated spokesperson(s) for the charity	9.1.3	Y*			Chairman, Deputy Chairman and ED or Board member for specific matters

**Appendix 2: Evaluation Checklist for Submission on
Charity Portal Code of Governance for Charities & IPCs
(For Large IPCs²⁴ – Basic, Enhanced & Advanced Tiers)**

All IPCs must disclose the extent of their compliance with the Charity Council Code evaluation checklist in their annual report and on the online Charity Portal (www.charities.gov.sg).

Non-IPC charities must submit a Charity Council Code evaluation checklist for review by their respective Sector Administrators.

Charity/ IPC should disclose compliance to the Charity Council Code guidelines and explain deviations or non-applicability in the checklist.

Essential guidelines in the Charity Council Code for evaluation are set out below:

Essential Code Guidelines		Code No.	Com- plied	In- prog- ress	Not Com- plied	NA	Explan- ation (If Com- plied not ticked)
S/ N	Board Governance						
	Board Roles, Composition and Bye-laws						
1.	The Board is wholly independent from the paid executive management of the charity. Where paid staff are on the Board ²⁵ , they comprise not more than one-third of the Board.	1.1.2a					
2.	Paid staff does not chair the Board.	1.1.2b					
3.	There is a maximum term limit of four consecutive years for the Treasurer (or equivalent ²⁶) position.	1.1.6					
4.	The Board conducts self-evaluation to assess its	1.1.10 (Adv)					

²⁴ Large IPCs are defined as having gross annual receipts of \$10 million or more in each of its 2 immediate preceding financial years.

²⁵ Paid staff may only become Board members where this is explicitly permitted by the charity's governing document.

²⁶ Examples of equivalent positions to the Treasurer could be the Audit or Finance Committee Chairperson. The Treasurer and Audit Committee Chairperson should preferably possess recognised accounting qualifications and appropriate practical experience.

Essential Code Guidelines	Code No.	Com-plied	In-prog-ress	Not Com-plied	NA	Explan-ation (If Com-plied not ticked)
performance and effectiveness.						
Board Structure						
5. There are Board committees (or designated Board members) with documented terms of reference in place to oversee the following areas, where appropriate: (a) Audit. (b) Programmes and Services. (c) Fund-raising. (d) Appointment / Nomination ²⁷ ; (e) Human Resource ²⁸ ; and (f) Investment.	1.2.1 (Enh) (Adv)					
Board Meetings						
6. The Board meets regularly ²⁹ (or as required by the governing document).	1.3.2					
Strategic Planning						
Vision & Mission						
7. The Board periodically approves and reviews the vision and mission of the charity. They are documented and communicated to the public or its members.	2.1.1					
Operations Plan						
8. The Board regularly approves and reviews a strategic/ work plan for the charity to ensure that the activities are aligned to the charitable objectives.	2.2.2 (Enh)					
Conflicts of Interest						

²⁷ Nomination and appointment of Board members.

²⁸ Or Remuneration Committee.

²⁹ Board meets at least two or three times per year.

Essential Code Guidelines		Code No.	Com- plied	In- prog- ress	Not Com- plied	NA	Explan- ation (If Com- plied not ticked)
Related Party Transaction							
9.	There are documented procedures for Board members or paid staff to declare conflicts of interest to the Board.	3.1.1					
10.	Board member with conflicts of interest do not vote or participate in decision making in the matter.	3.1.2					
Human Resource Management							
Staff & Volunteers							
11.	There are documented human resource policies approved by the Board for paid staff (and volunteers, where appropriate).	5.1.1					
12.	There are systems for regular ³⁰ supervision, appraisal and personal development of the executive head, paid staff (and volunteers, where appropriate).	5.1.5 (Enh)					
13.	No paid staff or Board member (<i>where applicable</i>) is involved in setting his own remuneration.	5.1.6 (Enh)					
14.	There is a system to address grievances and resolve conflicts for staff and volunteers.	5.1.11 (Adv)					
Financial Management & Controls							
Budget Planning & Monitoring							
15.	The Board approves an annual budget for the charity's corporate and programme plans and monitor its budget expenditure regularly.	6.1.1					
Operational Controls							

³⁰ Annually, where appropriate.

Essential Code Guidelines		Code No.	Com- plied	In- prog- ress	Not Com- plied	NA	Explan- ation (If Com- plied not ticked)
16.	The Board ensures periodic internal audit on controls, processes, key programmes and events.	6.2.2					
17.	The charity ensures internal control systems are in place with documented procedures, approved by the Board, for financial matters.	6.2.3					
Asset Management							
18.	The charity discloses its reserves policy in the annual report.	6.3.1					
19.	The charity invests its reserves, if the governing document permits, in accordance with an investment policy approved by the Board. It obtains advice from qualified professional advisors, where appropriate.	6.3.5 (Adv)					
Disclosure & Transparency							
20.	The charity makes available to its stakeholders an annual report. <i>(Financial accounts are tabled at the Annual General Meeting, if required by the governing document).</i>	8.1.1					
21.	Board members are not remunerated for their Board services.	8.1.2a (Enh)					
22.	The charity discloses the exact remuneration and benefits received by each individual Board member in the annual report.	8.1.2b (Enh)					
23.	The charity discloses annual remuneration of the top three key executives in salary bands of less than \$100,000, and	8.1.3 (Enh)					

Essential Code Guidelines		Code No.	Com- plied	In- prog- ress	Not Com- plied	NA	Explan- ation (If Com- plied not ticked)
	subsequent bands of \$50,000 in the annual report.						
	Public Relations & Corporate Communications						
24.	The charity communicates its mission, programmes or activities to key stakeholders.	9.1.1					

Appendix 3: Guidelines for Board Composition & Appointments of Caritas Singapore

Chancery Guidance Board Appointments

Purpose

The purpose of this document is to set out the internal processes and guidelines for board appointments which require the approval of the Church.

Overview

In general, the process for the appointment/ reappointment of board members takes place as follows:

1. The board identifies directors for appointment/ reappointment.
2. The names are submitted to the Chancellor.
3. Chancery informs and announces the board appointments.
4. The organisation completes the legal process (if any) for the board appointments.

1. Identifying gaps and potential appointments

The board, with the support of the appropriate board committee (usually a nominating committee or executive committee), should annually review the board composition, terms of its members, and the need for retirements and new members.

In doing so, the board should give due consideration to the relevant requirements of:

- Its constitution
- Any code of conduct and practice which it is subject to. (For example, Caritas Singapore's Code of Governance which applies to Caritas Singapore and its affiliates set out Guidelines for board composition and appointments in Appendix 3).
- The prevailing secular regulatory authority it is subject to. (For example, registered charities and Institutions of a Public Character are required to observe the provisions of the Charities Act and charity regulations set out by the Commissioner of Charities, which includes requirements for board members).
- The guidelines of the Church Governance & Structure Committee (CGSC) as set out in Annex 1 of this document.

The board then need to take a view on members who should retire and the gaps on the board.

It would then search and select candidates to fill up the gaps.

2. Submission of names to Chancellor

Once board members are identified, a note should be sent to the Chancellor for the review of the names by the Archbishop and Consultors, at its monthly meeting.

The note to the Chancellor should consist of the following:

1. A cover note (see sample in Annex 2) that describes:
 - a. Context of the organisation and board as appropriate

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- b. The names of the members for reappointment
 - c. The names of the proposed new members, with short bios of the individuals.
2. A summary of the current board members, their terms and recommendations (see sample in Annex 3). An excel spreadsheet of Annex 3 is attached for your adaptation.

3. Chancery Notice

After the Consultors meeting, the Chancery will revert to the organisation with any input and decisions by His Grace.

Chancery will provide an update of the appointments to the Catholic community in its next Chancery Notice.

Chancery will send out a letter of appointment/reappointment to each new/renewed board members.

4. Legal Process

Following confirmation of the appointments, the organisation should complete the legal process for the appointments. This would depend upon the type of organisation:

- For Archdiocesan bodies

There is no further filing, or procedures needed for archdiocesan organisations.

- For Companies Limited by Guarantee

a) New board members will have to sign an ACRA Form 45, and these should be filed with the company secretary.

b) The board reappointments and new appointments must be approved by the subscribers, either through circular Written Resolutions or at resolutions at an AGM/EGM.

c) The new appointments must file with ACRA within 14 days.

- For societies

a) New committee board members to be elected by Members at an AGM/EGM in accordance with Constitution of the society

b) Details of the new board members will have to be filed with the Registry of Society.

- For registered charities and IPCs

a) The Commissioner of Charities must be informed within two weeks of the (legal) appointment of the board members.

Timelines

Boards should note the timelines needed for each step in the process:

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- The search process including evaluation and obtaining agreeing of new board members can be involved.
- The Consultors meet only once a month, and approval may or not be immediately forthcoming.
- The legal process of AGMs and written resolutions also have notice periods or lag time to obtain signatures.

Each board should, considering the required steps and time needed, ensure that it meets its own target timelines for board renewals and appointments.

For queries regarding this note, please contact Jeanette Chang at jeanette.chang@catholic.org.sg

Appendix 4: Principles of Catholic Social Teachings

1	<p>The Dignity of the Human Person Every human person is of infinite dignity and has rights and duties by virtue of being human. Moreover, we are all equal dignity.</p>
2	<p>Association We are meant to be in community. Besides the family, people also have a right to form socio-economic, religious and political associations for the development of the common good and for personal development.</p>
3	<p>Subsidiarity These natural groupings should be helped to flourish and not be disempowered by having a higher-level body take over what these groups can do for themselves.</p>
4	<p>Participation We have a right and duty to have a say and act in what determines our well-being and our future.</p>
5	<p>The Common Good We must seek the good of the broader community and not just our own interests. Moreover, the concerns of everyone need to be addressed and not just what suits the majority.</p>
6	<p>Universal Destination of Goods God intended for all the world's resources to be enjoyed by everyone, and not just a few. Moreover, we should have a <i>preferential option for the poor</i> and see to it that the most vulnerable also have what they need.</p>
7	<p>Solidarity Every human person is connected to every other person. We are called to serve one another and to build up the human family.</p>
8	<p>Dignity of Work Human work even in its humblest form has an intrinsic dignity. This also implies the need to ensure that all people have working conditions worthy of the children of God.</p>
9	<p>Dignity of Creation We are not owners but stewards of God's creation. Caring for the earth, for each other and for ourselves is an essential part of our mission.</p>
10	<p>Peacemaking We are called to seek true and lasting peace, which implies right relationships all round - within ourselves, with God, one another and the environment.</p>

Appendix 5: Terms Of References & Functions Of Respective Board Committees

The functions of the respective board committees that have been approved by the Board and is in effect.

Advocacy & Research Committee

- Initiate forms of relief and schemes of social services so as to alleviate distress or poverty amongst people regardless of their race or religion.
- Provide a network and promote a community for various social and community organizations to facilitate an exchange of ideas, gathering of resources, and promoting research and development of strategies and actions to be undertaken to more effectively serve the poor, the needy and the community generally.

Agape Village Committee

- To synergize resources and coordinate common activities of various social and community organizations based at Agape Village including, shared services and shared practices.
- Support MOs based at Agape Village to operationalize holistic and integrated care.
- Oversee operations of the building and its facilities to ensure compliance to statutory requirements.
- Implementation and review of the case management system at Agape Village.
- Ensure efficient and effective utilization of space at Agape Village.

Audit

- Financial statement preparation and integrity
- Risk management and internal controls
- Internal audit
 - Adequacy of Resource
 - Performance and Scope of Work
- External audit
 - Attend to Qualifications
 - Ensure Independence
 - Recommend the engagement of auditors and audit fees.

Communications Committee

- To review communications policies and strategies.
- To ensure good practice for print and online communications.
- To recommend on new publications, policies, and implementation of communications plans.
- To ensure and maintain good public image for Caritas Singapore.
- To ensure that Caritas Singapore, as an organization is portrayed accurately to its stakeholders, including members, donors and the public.
- To ensure that there are documented communication policies on the release of information about the organization and its activities to its stakeholders, including the media and the public, across all media platforms.

- To provide guidance to MOs on communications matters, best practices, shared services and shared practices.

Executive Committee (EXCO)

- To review, with management, and recommend to the Board the organization's strategic matters and policies of Caritas Singapore, and monitor their implementation.
- To support the Board's governance role by reviewing and recommending governance-related process and policies, director nominations and board performance.
- To act on behalf of the Board in urgent situations, when it is not feasible to convene a meeting of the entire Board.
- To review and approve hr strategy, increment, annual wage supplement and performance bonus upon recommendations from HR/ED.
- Appointment of Executive Director, performance objectives and performance evaluation.
- Review and approve all major changes in Caritas' organization structure as recommended by HR/ED.

Finance and Grants Committee

- To review annual budget of Caritas Singapore and develop appropriate procedures for budget preparations.
- To ensure regular and accurate monitoring and accountability for funds and report to the Board on any financial irregularities and concerns.
- To recommend financial guidelines to the Board.
- To ensure financial reports presented to the Board are accurate and timely.
- To oversee short and long-term investments, unless there is a separate investment committee.
- To review grant funding requests from Member Organizations based on the recommendations of the programmes committee.
- To ensure the financial sustainability of Caritas Singapore through effective cost management.

Formation Committee

- To encourage the proper formation of Singapore Catholics in their community work in accordance with the Church's social teachings.
- To plan, initiate, oversee, assist and monitor key training programmes for member organizations that would help build their capacity and improve their organizations.

Fundraising Committee

- To identify and develop fundraising initiatives, including donor management.
- To synergize resources and coordinate donations-in-kind to Member Organizations.

Investment Committee

- To recommend external Fund Managers to manage our investment fund according to our risk appetite and restrictions and subsequently evaluate their performance and undertake actions as needed (Including termination)
- To recommend investment guidelines to the Board and propose changes to the Board for approval if needed
- To update the Board on investment matters pertaining to performance, portfolio holding and matters involving the Fund Managers

IT Committee

- To develop digital strategies, policies and plans for Caritas Singapore
- To ensure that the IT systems and infrastructure of Caritas Singapore is robust and secure.
- To provide recommendation on IT acquisitions.
- To provide advice on IT-related matters, shared services and shared practices to MOs of Caritas Singapore.

Membership Committee

- To develop and review criteria, guidelines and policies for membership of Caritas Singapore.
- To promote and grow membership for Caritas Singapore.
- To provide support for the MOs to better serve the broader community.
- To provide a network and promote a community for various MOs and Caritas Singapore to facilitate an exchange of ideas and foster a closer relationship between the MOs and Caritas Singapore so as to serve the community better.
- To provide feedback from MOs to the Board.

Nominating Committee

- To develop and oversee the nomination process
- To solicit, identify and evaluate nominations of Board members
- To recommend to the Archbishop the reappointment of Board Members and the appointment of new Board members

Parish Engagement Committee

- To promote social mission within the parishes.
- To collaborate and provide support to the parishes for its social mission work.
- To provide a network and promote a community for parishes and Caritas Singapore to facilitate an exchange of ideas and foster a closer relationship between the parishes and Caritas Singapore so as to serve the Catholic community better.
- To provide feedback from parishes to the Board.

Programmes Committee

- To develop initiatives by analysing needs to identify gaps in services so as to alleviate distress or poverty amongst people regardless of their race or religion;
- Develop a framework to evaluate funding priorities, programmes and services by the MOs.
- Provide advice to the Finance & Grants Committee and the Board on matters relating to programmes and services that are delivered through the MOs.

Young Adults Committee

- To promote awareness of, provide perspective and create opportunities for social mission amongst young adults.
- Provide a network and promote a community for young adults to facilitate an exchange of ideas, gathering of resources, and promoting of strategies and actions to be undertaken to serve the poor more effectively, the needy and the community generally.