



A LEGACY GIVING INITIATIVE BY

**COMMUNITY
FOUNDATION
OF SINGAPORE**

A Greater Gift

Toolkit For Advisors

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INTRODUCTION

WHY DO THIS TOOLKIT?

Legacy giving – leaving a planned future gift to a cause that one is passionate about – is a way for people from all walks of life to ensure that efforts to better their community can continue, far into the future. The Community Foundation of Singapore (CFS) created this toolkit in response to research that showed there was significant room for legacy giving to grow in Singapore, with one of the key opportunities being in developing knowledge about legacy giving in the Singapore context.

WHAT IS THIS TOOLKIT?

This toolkit aims to equip professional advisors with the knowledge to spark legacy giving conversations with their clients. Within it, you will find:

- Advice on why and how to start conversations on legacy giving;
- A comparison between two structures that can be used for legacy giving – the donor-advised fund (DAF) and the private foundation;
- Key information on when and how your clients can make legacy gifts; and
- Additional resources to enable you to support your clients in their legacy giving journeys.

WHO IS THIS TOOLKIT FOR?

This toolkit is designed as a simple reference guide for professional advisors across the financial, legal and other sectors who help their clients manage their assets in line with their personal and financial goals.

WHY USE THIS TOOLKIT?

As a professional advisor, you have an intimate knowledge of your clients and a relationship of trust with them – you are best placed to help them build a lasting legacy of good for themselves and their families. This toolkit will guide you through the conversations you will have with your client, providing you with the resources you will need to introduce them to legacy giving.

PRIMER

We encourage you to use this toolkit in a way that suits your objectives. Each section is designed to support your understanding of a specific aspect of the legacy giving conversation. Using this toolkit to guide your clients towards their giving journeys will enable you to help them integrate philanthropy into their wealth and estate plans.

CONTENT SECTION

COMMON CLIENT QUESTIONS

The common client questions covered by each content section.

Why Start
Conversations?

- Why should I consider legacy giving?

Speaking to
Clients About
Legacy Giving

- Is legacy giving suitable for me?
- When should I consider legacy giving?
- Where should I give to?
- How should I give?
- What do I need to consider before making a legacy gift?

Comparing
Donor Giving
Vehicles

- What is the best way to structure my legacy gift?
- Should I establish my own standalone private foundation?

Giving With
The Community
Foundation of
Singapore

- How can I make a legacy gift?
- Can I start giving during my lifetime?
- How can I make a legacy gift?
- What can I give as a legacy gift?

Donor-Advised
Funds at
The Community
Foundation of
Singapore

- How can I make a legacy gift through a DAF?
- What are the different types of DAF I can establish at CFS?
- What is an endowment fund?
- What are the advantages of establishing an endowment fund?

Our Donor
Stories

- How can CFS support my legacy giving intentions?
 - Can you share any examples of legacy gifts?
-

WHO WE ARE

CFS is a charity founded in 2008 to encourage and enable philanthropy in Singapore. As Singapore's first and only community foundation, we are experts on Singapore's giving landscape – we match donors' interests with causes and offer ways to make a more significant impact through their charitable funds.

A Thought Leader in Philanthropy

Drawing on more than a decade of experience, CFS has become a thought leader in creating informed and impactful giving. We have been invited by leading organisations to provide expertise on a range of topics such as philanthropy for global family offices, investments by trusts and foundations, and legacy giving in Singapore.

A Leading and Neutral Convener

CFS endeavours to provide support where needed across diverse causes such as education, sports, arts and heritage, special needs, animal causes, and the environment. This support comes from DAFs established by our donors, as well as our Community Impact Funds (CIFs), which are pooled funds in support of programmes co-developed with trusted charity partners.

A Trusted Partner in Giving

At CFS, we manage funds and grants with a high level of accountability, so donors can be assured their gifts will create lasting benefit. Our leadership, drawn from the best of the public, private and people sectors, brings to the table the deep well of experience, robust governance and strategic foresight needed to steer CFS into the future. Our dedicated team is committed to excellence and diligence, and we are exclusively charitable – meaning that our sole focus is effectively delivering impact.

OUR ROLE IN THE ECOSYSTEM

Enable Philanthropy

Founded with the support of the government to enable philanthropy in Singapore, our purpose is to create real and meaningful change while building a philanthropic culture in Singapore.

Share Knowledge

Our deep understanding of local issues and evolving needs, combined with our extensive network give us unparalleled insight into Singapore's charitable landscape and community needs.

Promote Values

We aim to build a philanthropic culture and a more giving society in Singapore. Throughout our efforts, one thing remains constant: our commitment to the process, from giving to impact.

Steward Donors

CFS offers ways for donors to make a greater impact in communities through charitable funds. We connect donors with causes, charities and programmes that are aligned with their passions.

Foster Giving

CFS identifies gaps and opportunities to foster more effective giving. We are exclusively charitable – and our first priority is impact.

FOREWORD

CFS launched the first-ever, nationwide Legacy Giving Initiative in November 2020 to raise awareness amongst Singaporeans about legacy gifts. We want to create a mindset shift – legacy planning should be discussed openly as part of one's financial planning.

As advisors, you play a key role in enabling your clients to achieve their giving goals through legacy giving and provide sustainable support for the good work our charities will need to do in the long term. We hope this toolkit helps you realise their goals for a better future.

CATHERINE LOH

CEO

As we move into the next phase of the Legacy Giving Initiative, we aim to spark planned giving conversations in Singapore and seed a network of conversation starters and multipliers for legacy giving.

This toolkit is part of our plan to work closely with professional advisors in the financial, legal and other sectors to spread the message and encourage action. We have designed this toolkit to enable you to spark planned giving conversations with your clients, enabling them to leave a lasting philanthropic legacy.

PARTNERSHIPS & ENGAGEMENT TEAM

THE COMMUNITY FOUNDATION
OF SINGAPORE



Why Start Conversations?



FOUR REASONS TO START CLIENT CONVERSATIONS ON LEGACY GIVING

A legacy gift is a planned, future gift in support of a charitable cause.

Singapore is poised to see the largest intergenerational transfer of wealth in the coming years and legacy giving is a fulfilling, effective way for high net worth clients to include sustained support for causes they are passionate about in their wealth plans.

As a professional advisor, while growing your business, you are well-placed to open your clients' eyes to the world of difference they could each make to future generations in Singapore.

Here are four reasons you should mention legacy giving.

1. Adding value to your services

Your clients trust you to advise them on key decisions which may have significant impact on their lives and finances. Increasingly, Singaporeans are looking to professional advisors for advice on how to best include charitable gifts in their financial and estate plans. By introducing legacy giving, you can be the architect of their personal and family legacy, including philanthropy as part of the holistic planning process.

It's well known that giving is a satisfying experience for the donor. Your legacy giving conversations can help you build deeper connections with your clients. This can also set you apart, as someone sensitive to your clients' personal, as well as financial objectives.

2. Building relationships with your clients' families

Legacy giving is often a multi-generational process. This can begin during your client's lifetime or afterwards. Either way, it represents an opportunity for clients to involve family members in philanthropic giving.

A client might want their children to steward a gift to a particular cause or charity, or may be giving during their lifetime in memory of a parent or loved one.

By initiating legacy giving conversations with your clients, you open up the opportunity to work with their family members and build a lasting legacy across generations.

When the time is right, other family members may refer or become your future clients.

3. Placing your clients at the cutting edge of philanthropy in Singapore

In Singapore, legacy giving is a new philanthropic concept with great potential for growth.

If your clients leave their legacy gifts with CFS, they also get access to DAFs – which let them structure their legacy giving to ensure their chosen cause or charity benefits from their support just the way they planned.

Since 2008, CFS has been the leading organisation offering DAFs to savvy, impact-conscious local philanthropists.

By introducing your clients to legacy giving with CFS, you will give them – and their families – the opportunity to become pioneers of local philanthropy in two ways:

- As early adopters of legacy giving in Singapore;
- As one of the select few using this modern, flexible giving tool to maximise their social impact.

4. Making a lasting positive impact on the community

Your legacy giving conversations with clients can spark generous giving, resulting in positive impact for the community.

Legacy giving is a long-term, sustainable source of income for charities, enabling their good work for a thriving society, benefiting future generations in Singapore.



Speaking to Clients About Legacy Giving



HOW TO TALK TO YOUR CLIENTS ABOUT LEGACY GIVING

As a professional advisor, you play a crucial role in helping your clients achieve their goals – both financial and personal – by working with them to make holistic plans for their future.

Legacy giving, which allows your clients to extend their philanthropy to future generations, is an essential part of this conversation for both you and your clients.

A survey of 1,100 people in Singapore by CFS and the National Volunteer and Philanthropy Centre (NVPC) has shown that while 6 in 10 believe everyone can make a legacy gift, just 1 in 5 feel that they know how to do so.¹

As your client's trusted advisor, you are in a unique position to bridge this knowledge gap – adding value to your services and improving your client relationships.

Realise your clients' goals for a better future.

Laying the groundwork for discussions about legacy giving can be easy. Philanthropy can form part of a holistic wealth plan – if you introduce philanthropy advisory in general over time as a service you can provide, you can then bring up legacy giving at the appropriate moment.

1: CFS x NVPC legacy giving survey (June 2020)

Here are some key moments where you can introduce legacy giving.

During estate or succession planning

After your client has provided for their family and loved ones, they may wish to set aside a suitable sum for charity.

Establishing retirement plans

As your clients prepare to enter a new life stage, they may be open to considering new uses of their time and finances.

Celebrating milestones by leaving a legacy

Your clients may also be keen to celebrate milestones such as birthdays or anniversaries in a meaningful way. A legacy gift enables your clients to commemorate these occasions and shape the world beyond their lifetime.

Giving in tribute to family or loved ones

Your clients may wish to make a legacy gift in honour of family members or loved ones who have been significant in their lives, or to make a gift in memory of them. Such a gift may be to a cause that has made a difference to both the client and their loved one.

At the sale of a business or other major asset

After the sale of a business or major asset, your clients may also find that they have the resources available to make a legacy gift.

At times of financial windfall

Your clients may wish to turn the good fortune of a financial windfall, such as an inheritance, into a lasting opportunity to impact their community. This is a great moment for memorial giving, in particular.

Reallocating assets after changes in beneficiaries

In the event of a change in beneficiaries, your clients may have to reallocate assets within their estate or succession plans. They may discover that they have room for philanthropy in such a scenario.

Having the conversation

When talking about legacy giving, you may want to start by asking your client questions to explore their motivations and intentions. These questions could be about your client's values and motivations, preferred causes, family, and their giving itself – we have provided a list of suggested questions for each.

These questions are just a guide, and are meant to encourage your client to make informed decisions and spark serious consideration about their giving. At the same time, these questions are also meant to deepen your relationship with your clients by offering you an insight into their personal beliefs and the causes close to their hearts.

Questions on values and motivations

- What aspects of Singapore would you like to see change or improve in the long term?
- What do you currently like about Singapore and think should stay the same in the long term?
- Do you think you've made a significant impact on Singapore or elsewhere in your lifetime? How so?
- Are there any life experiences that motivated you to pursue the life path you are on now?
- What would you like to get out of your giving? E.g. strengthening family and social relationships, improving communities, influencing the future, repaying life-changing acts of kindness.
- Does the idea of leaving a permanent legacy for the local community resonate with you?
- Would you want to receive recognition for your legacy gift or to give anonymously?

Questions on preferred causes

- What issues in Singapore do you think are most urgent now?
 - What issues in Singapore do you think will need long-term solutions?
 - What issues in Singapore do you feel strongly about, but would like to know more on?
 - Who or what do you want to benefit from your giving? E.g. women, persons with disabilities, animals, the arts.
 - Are there any specific charities you would like to support? How do you decide?
 - Do you have anyone or any institution important to you that you would like to honour? Why?
 - Do you give to or volunteer with charities or non-profits now? Which ones?
 - Which charities or non-profits have you given to or volunteered with in the past?
-

Questions on family

- How does your family make major financial decisions?
- Have you or your family benefited from the generosity of others in the past? How so?
- Do you have family members who feel strongly about supporting particular issues in Singapore?
- Do you feel you have sufficient assets for your next generation at this point?
- What values do you feel you share with other members of your family?
- How do you feel about involving the next generation of your family in your philanthropy?
- What values, messages or traditions would you like to pass on to future generations of your family?
- What improvements in Singapore would you like your children to experience?

Questions on your client's giving

- What type of assets have you donated to charity in the past?
 - Do you have any assets in particular that you would like to donate?
 - Would you like to receive tax deductions on your giving?
 - How involved would you like to be in administering your giving? E.g. vetting charities, selecting trustees, hiring professional staff to manage the gift.
 - How would you like to make your legacy gift? E.g. bequest in a will, CPF or insurance nomination.
 - When do you want to start your legacy giving? During your lifetime, beyond the measure of your lifetime, or both?
-



Comparing Charitable Giving Vehicles

COMPARING CHARITABLE GIVING VEHICLES

TOPIC	DONOR-ADVISED FUND	STANDALONE PRIVATE FOUNDATION
Startup time and cost	<ul style="list-style-type: none"> • Can be established within 4 weeks • No set up cost • May incur some administrative cost 	<ul style="list-style-type: none"> • Requires significant time and resources to set up e.g. wealth planners/lawyers; setting up board; employing staff for grantmaking and administrative expertise • High administrative costs
Tax deductibility	<ul style="list-style-type: none"> • CFS is a charity with Institution of a Public Character (IPC) status • Tax deduction may be given to donations, subject to IRAS regulations 	<ul style="list-style-type: none"> • Foundation needs to apply to become a charity with IPC status
Typical minimum to start	<ul style="list-style-type: none"> • Minimum pledge of \$200,000 	<ul style="list-style-type: none"> • Assets exceeding \$10 million (preferably)
Administrative support	<ul style="list-style-type: none"> • CFS carries out administrative duties 	<ul style="list-style-type: none"> • Requires complex administrative management, usually carried out by paid professional staff • Donor may be required to sit on board
Anonymity and public disclosure	<ul style="list-style-type: none"> • Grants can be made anonymously, if desired 	<ul style="list-style-type: none"> • Anonymity is not guaranteed; especially if foundation has a family name or family members sit on the board
Governance and Reporting	<ul style="list-style-type: none"> • CFS takes care of governance and regulatory reporting requirements 	<ul style="list-style-type: none"> • Donor controls selection of board/trustees • Foundation responsible for own reporting
Fiduciary responsibility	<ul style="list-style-type: none"> • CFS has full fiduciary responsibility 	<ul style="list-style-type: none"> • Board/trustees have full fiduciary responsibility
Grantmaking control	<ul style="list-style-type: none"> • Donor may recommend grants to locally registered charities which are secular and non-political* 	<ul style="list-style-type: none"> • Donor has control of grantmaking decisions subject to internal policies, mandates and board approvals

Grant disbursement	<ul style="list-style-type: none"> • CFS encourages active grantmaking • CFS conducts due diligence and identifies suitable programmes in line with donor's interests 	<ul style="list-style-type: none"> • No legal requirement for grant disbursement; subject to internal policies • Paid professional staff required for grantmaking expertise
Family involvement and succession	<ul style="list-style-type: none"> • Family members can be involved in grantmaking conversations or appointed as successors of donor's fund 	<ul style="list-style-type: none"> • Formal involvement of family members • Family members usually serve on the board or as staff • Donor may select successor board or trustees
Asset growth potential and investment decisions	<ul style="list-style-type: none"> • Yes, for endowment funds • All investments are managed by CFS 	<ul style="list-style-type: none"> • Assets may grow if invested • Donor has decision-making powers for investments; subject to internal policies and board approvals
Valuation of gifts	<ul style="list-style-type: none"> • Fair market value 	<ul style="list-style-type: none"> • Fair market value (in general)



**Subject to The Community Foundation of Singapore's charitable objectives.*

Note: Gifts to a DAF constitute an outright donation and may qualify for tax deduction subject to IRAS regulations.

The background is a solid dark blue. Scattered across it are several large, overlapping circles in a lighter teal color. These circles vary in size and are positioned at different points on the page, creating a modern, abstract design.

Giving with The Community Foundation of Singapore

HOW CAN YOUR CLIENTS GIVE WITH US?

CFS offers your clients flexibility in determining the timing of their giving. Depending on when they are ready to give, your clients can plan their legacy gift in one of the following ways:

GIVE NOW

Your client can begin their giving journey now by establishing a DAF, such as an endowment fund, during their lifetime. This may be especially suitable for a client who is already giving to charity and would like to take advantage of the structure and grant administration that a DAF with CFS offers.

GIVE LATER

Your client can instruct you, or another executor or trustee, to establish a DAF with assets gifted through their will or trust, or with payouts from nominations of insurance and CPF. Your client can designate individuals to recommend grants in line with your client's charitable intentions, or delegate grantmaking authority to CFS.

GIVE NOW; GIVE LATER

Your client can establish a DAF during their lifetime and add supplementary gifts from their will or trust, or nominations of insurance and CPF. This enables them to take advantage of the benefits of giving now, while building the structure to enable their giving to continue beyond their lifetime.

WHAT CAN YOUR CLIENTS GIVE WITH US?

CFS enables your clients to give in a variety of ways, enabling them to contribute to charities in a manner that suits their financial planning needs.

1. Cash

The simplest way for your clients to give is a donation of cash. Your clients can donate cash during their lifetimes, or through their will or trust. Cash gifts can be deployed easily and with minimal cost to support your clients' charitable interests.

2. CPF Nominations

Your clients can include CFS in their CPF nomination. When their CPF monies are distributed after their lifetime, CFS will receive the portion they have specified in cash.

3. Insurance Policy Nominations

Your clients can nominate CFS as a beneficiary of their insurance policies. CFS will receive the specified portion of the death benefit of each policy for which CFS is nominated as a beneficiary in cash.

4. Other Assets

CFS may be able to receive donations of other assets that your clients wish to give, such as marketable securities (shares, bonds and unit trusts listed on major stock exchanges). Speak to CFS about the possibilities.



Donor-Advised Funds at The Community Foundation of Singapore

TYPES OF DONOR-ADVISED FUND

CFS offers your clients the opportunity to establish two types of DAF depending on how they want to give.

Flow-Through Fund

A flow-through fund enables your clients to have their donations available for grantmaking to their preferred causes and charities over a period of time. Your clients can start making grants to causes and charities they value most today, see the results and evaluate if they meet their philanthropic goals in the long run.

Endowment Fund

With an endowment fund, your clients' donations are held at CFS in perpetuity and invested. Payout from the investment is directed to charitable causes of their choice. For those planning to set up a scholarship or supporting a charity over the long term, this type of DAF is a good option.

Your clients' donations into their DAFs are eligible for **upfront tax deductions**, subject to IRAS regulations. They, or individuals they designate, can then recommend grants to particular charities in support of their giving objectives.

Alternatively, they can choose to delegate grantmaking authority to CFS. Our philanthropy advisors will steer their generosity to where it's needed, in line with their wishes.



THE POWER OF ENDOWMENT

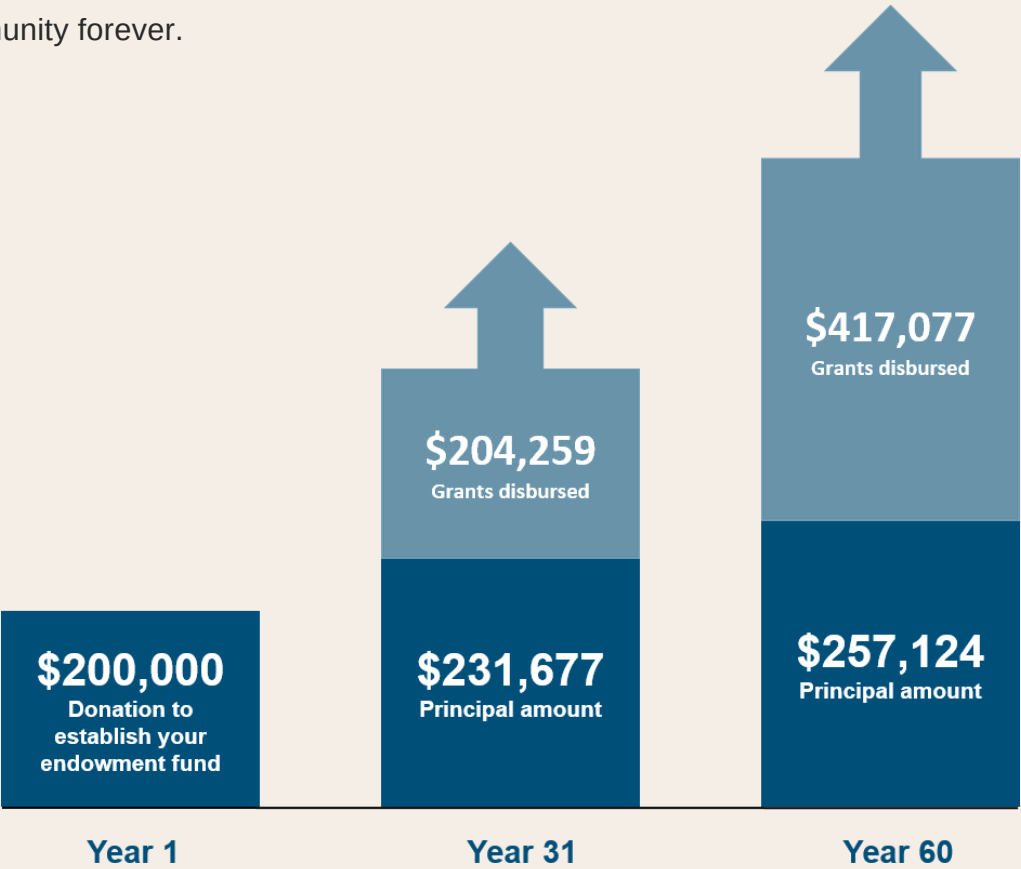
Endowment funds offer a unique opportunity for your clients to create a legacy of good that will continue to grow for generations to come.

Endowment funds are perpetual. The principal will be invested in perpetuity – an annual payout will be made available for grantmaking to your client’s preferred causes while their principal continues to grow under the expertise of our investment committee.

With an endowment fund, donors can remain confident that their gift will provide long-term, sustained support to their preferred charities, and continue to benefit the community forever.

The diagram below provides an illustration of how your client’s giving impact is multiplied with the power of an endowment fund.

At **Year 31**, your client’s total grantmaking will have exceeded their initial principal, hence **doubling** their gift. By **Year 60**, their gift will have **tripled** – extending their impact into their next generation and beyond.



Assuming a 4% annual investment return and a 3% annual payout for grantmaking.



Our Donor Stories

DONOR STORIES

CFS supports legacy givers with a wide range of intentions – from individuals giving in honour of their loved ones, families giving together, and even executors acting on a testator's charitable wishes. The following donor stories may be useful conversation starters with clients who have similar giving intentions.

If Your Client Wishes...

To Build a Lasting Legacy of Giving

Growing up in a poor family, the late former President of Singapore Mr S R Nathan knew what it was like to struggle with school and making ends meet. In his teens, he dropped out of school, ran away from home and tried to eke out a living amidst troubled times. While working, he continued his education and was eventually awarded a bursary that enabled him to graduate with a Diploma in Social Studies from the then University of Malaya.

When he published his memoir in 2011, he also established the **S R Nathan Education Upliftment Fund (SRNEUF)** with CFS to help students by providing them with the financial assistance to keep them in school and enable them to pursue their tertiary education. In over a decade of its existence, the SRNEUF has enabled over 1,800 students from ITE and local polytechnics to flourish in their studies and make a successful transition into the workforce.

Read more [here](#).

To Leave a Gift in Their Will or Trust

The late Dr Lim Boon Tiong, shaped by his medical background and life experiences, left a gift of \$24 million to charity through his estate. CFS facilitated his wishes by enabling his daughters, who were the executors of his will, to set up a DAF with a gift of \$24 million from his estate. The **Dr Lim Boon Tiong Foundation** supports urological cancer research, palliative and elderly care. CFS empowered his daughters with the information they needed on charities, saving them precious time and effort on conducting their own research.

In fulfilment of Dr Lim's wishes, over \$7 million will be gifted to the Dr Joseph Lim Boon Tiong Urology Cancer Research Initiative at the National University of Singapore, which aims to improve patient healthcare standards and treatment down the road through experimental research. A total of \$8 million will also support inpatient care at the 16-bedded St Michael's Ward at Assisi Hospice, while a separate gift of \$8 million will help bolster facilities and operations of three nursing homes run by Catholic Welfare Services.

Read more [here](#).

To Honour the Memory of a Loved One

To honour the memory and accomplishments of Lien Shih Sheng, a Chinese literati par-excellence and decorated public servant, his grandson Lien Ber Luen established the **Lien Shih Sheng Foundation** as a DAF with CFS.

Continuing the legacy of Lien Shih Sheng's strong belief in education as a social leveller, among other social causes like arts and culture, the Foundation has supported various programmes in support of education. This includes supporting underprivileged youth and children with scholarships and bursaries at institutions such as Singapore Institute of Technology and Raffles Institution, and financial aid for pre-school fees.

Read more [here](#).

To Continue a Family Tradition of Philanthropy

For CFS donor Mr Surya Jhunjhnuwala, the late patriarch Shyam Sundar Jhunjhnuwala, founder of the Hind Group, was a devoted father and man of vision, passing on to his children the values of humility, hard work and honesty. To continue their late father's legacy of values, the family established the **S.S. Jhunjhnuwala Charity Fund** as a DAF with CFS.

Receiving philanthropic advice from CFS, the fund currently provides grants to the Singapore Institute of Technology to support equal opportunities for female students and students facing unforeseen difficult situations in the field of hospitality.

Read more [here](#).





CONCLUSION

Thank you for taking the time to read this toolkit and learn more about legacy giving in Singapore. We hope the resources in these pages have given you a better understanding of legacy giving and equipped you to spark legacy giving conversations with your clients – conversations which may well have long-lasting positive effects on your clients' giving goals and Singapore's charity sector, and help strengthen your relationships with them.

Additionally, we welcome you and your clients to explore our legacy giving microsite – legacygiving.sg – and stay informed about legacy giving in Singapore. We have uploaded this toolkit, along with other useful resources, to the microsite.

We would also love to hear your feedback and suggestions regarding this toolkit and legacy giving content that would be helpful for you. You can reach us using our [Contact Us form](#).

Disclaimer: The content of this toolkit is strictly for informational purposes only. It is not intended to be, nor should it be relied upon as, legal, financial, or other professional advice. You should consult a qualified professional before taking or omitting to take any action relating to anything discussed in this toolkit. CFS shall also not be liable for any damage or loss, of any kind, resulting directly or indirectly from the use of this toolkit. This includes, but is not limited to, any damage or loss suffered as a result of your reliance on the content of this toolkit.

REACH OUT

It's never too early for your clients to plan their legacy gifts.

To discuss your clients' legacy gifts with CFS, **get in touch with us.**



A LEGACY GIVING INITIATIVE BY

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