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SINGAPORE — When a three-year battle with advanced metastatic cancer wiped out Mr Daniel Chiu's savings, the 68-year-old decided to seek donations via crowdfunding as a last resort. While the former trainer at a management consultancy was desperate for funds to pay his living expenses, he was also worried that people might think that he was out to con them of their money.

A team from non-profit organisation AdvocAid stepped in to help, spending more than two weeks visiting his home, and going through his financial statements and medical records to verify his situation before putting up his crowdfunding campaign.

Mr Chiu felt that it was the right move after reading comments on social media questioning the motives of those seeking crowdfunding. "It's necessary... I also want them to verify because I don't want people to think I'm a scammer," he said.

Mr Chiu was one of the five cases verified by AdvocAid since it was officially set up by co-founders Mr Tan En, 32, and Dr Kenneth Goh, 40, in April this year.

With online fundraising activities on the rise here, the pair saw a gap in crowdfunding platforms and decided to take on the responsibility of conducting checks to verify the authenticity of individuals soliciting funds.

"With crowdfunding, with the Internet and social media, you can turn to strangers... but how do these strangers know if your story is true or not?" said Mr Tan.

So far, the cases they handled were referred by fundraising site Give.asia. A team from AdvocAid will first pay these individuals home visits to find out more about their situation, including their family and financial history.

The team will also request for relevant documents for inspection – including bank account balances, pay slips and medical bills – before contacting the relevant stakeholders such as social workers and employers to verify their situation.

The process can range from one to three weeks, and once the individual has been verified by them, their campaign will be hosted via AdvocAid's page on Give.Asia.

This verification gives them more control over the accuracy of the individuals' stories and provides context to their situation. It also allows AdvocAid to disburse the donations to the individuals to ensure they are using it responsibly, added Mr Tan.

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Their beneficiary Mr Chiu for instance, was also able to take a “bridging loan” from the group while his crowdfunding campaign was still ongoing to cover some urgent expenses.

AdvocAid does not charge the individuals or crowdfunding platforms for their verification services, said Mr Tan, as there will be a conflict of interests if AdvocAid is paid by persons they are verifying. For accountability, an external auditor handles AdvocAid’s audits and they intend to post their annual accounting report online. There are also plans for the organisation to be registered as a charity in future.

As more groups and individuals turn to crowdfunding sites to solicit donations, questions have been raised about how the funds are being spent, how campaign organisers can be more accountable to donors, and if more regulations should be in place.

This particularly after a case reported in June where Ms Vivian Pan made an appeal on Facebook to help raise money for Ms Tang Zhi Ling, a single mother who had stage two cervical cancer. Her appeal raised suspicions after she rejected offers of groceries and it was discovered that the bank account provided for donations was registered to her and not Ms Tang.

It was reported then that she was being investigated by the Office of the Commissioner of Charities and the police.

Give.asia had previously told TODAY that it has “technology safeguards” to detect potential fraud activity and personnel who keep a lookout for “questionable” campaigns and activities. They also started visiting beneficiaries, and put in place a process to ensure the donations are channelled directly to the beneficiaries’ bank accounts.

AdvocAid has been reaching out to more crowdfunding sites, voluntary welfare organisations and family service centres to educate them about their work. To get the organisation going, Mr Tan took a pay cut from his previous job as a project manager at the Silent Foundation - a charity to help those who have been overlooked by society - while Mr Goh used his own money to fund their work.

Dr Goh, who is an assistant professor of Strategic Management (Education) at the Singapore Management University, said that the pair has no plans to charge for their verification work in the future, and will instead rely on public donations. They may pursue other forms of revenue by partnering organisations to develop public outreach campaigns, for instance.

“The sustainability question is something we are aware of but it’s too early to talk about it... What we are very clear about is how we are not going to make money (from the verification work) because it’s going to taint our mission,” added Dr Goh.