

Discussion Paper on Fundraising Coordination within the Subud Association

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I. Background

At the 13th World Congress, January 2010, New Zealand, Congress passed a Resolution proposed by the Working Party #4, Finance and the Muhammad Subuh Foundation (MSF), regarding fundraising within our Subud Association:

“...That WSA offers to work with member Countries to plan a professional, transparent annual coordinated fundraising campaign that allows donors to designate the allocation of their contribution.”

This Resolution arose out of a need to fundraise within the Subud Association more effectively, as more and more members are growing weary of the increasing bombardment of funding appeals from various Subud entities competing for the limited funds within our Association. In addition, Subud national committees feel threatened by the international, and individual, entities that directly approach the members in their respective countries, which increase the likelihood of the limited funding within their country being siphoned off before ever reaching the national organizational level, or even the regional or center levels.

Also, it is felt on all organizational levels that there is clearly insufficient funding to carry out all the work and responsibilities of our Association, which may be due in part to not having a coordinated, professional approach to our collective fundraising strategies.

II. Objective of this Discussion Paper

This Paper attempts to set out a possible approach designed to improve the collective fundraising strategies within our Association through the adherence to Bapak’s advice and guidance and by the application of professional fundraising techniques to fulfill the Congress Resolution of the Working Party (#4) on Finance and MSF.

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III. Setting the parameters of a Coordinated Fundraising Strategy for the Subud Association

To be successful, a coordinated fundraising strategy for our Subud Association should satisfy the following conditions:

- A. Be in compliance with Bapak's advice and guidance;
- B. Be an improvement over the current way we solicit donations, yet work within the existing fundraising structure in each country;
- C. Address the financial needs and concerns of Subud organizations on all levels:
 - a. International, national, regional, and center-level committee work;
 - b. Projects of the World Subud Association (WSA) and the Muhammad Subuh Foundation (MSF) such as: Archives, translating Bapak's and Ibu Rahayu's talks, Subud Care Support Program (almoning and educational scholarships), international helper travel, Subud Houses, and social projects in cooperation with SDIA;
 - c. Additional organizations such as Susila Dharma International Association (SDIA), Subud International Cultural Association (SICA), Subud Enterprise Services International (SESI), and Subud Youth Association (SYA).
- D. Be relatively easy to implement on all organizational levels, and should be able to incorporate:
 - a. Provision of historical data to track the success (or deficiencies) of a particular fundraising strategy;
 - b. Flexibility to the donor with regard to self-directing where donations go;
 - c. Simplicity in its execution so that the membership, individually and collectively, do not feel this strategy is too onerous or complicated, or feel pressured;
 - d. Clear communication of the financial needs of the organizations seeking funding;
 - e. Qualification for donor tax benefits where possible; and
 - f. Provision for clear reporting and accountability to the membership.

IV. Reviewing Bapak's advice on donating to Subud

In preparing this paper I was quite surprised to discover that, for over thirty years, I have not fully understood or appreciated Bapak's advice on this subject:

A. 79 YYZ 11 Toronto, Canada August 23, 1979

“...It is necessary to make donations; it is necessary, but you should make them where help is needed, where it is necessary to give help. This is how it should be, brothers and sisters, and so Bapak is making a start in Subud to enable us of the spiritual brotherhood of Subud to establish a body to carry out social work. This is now beginning to operate in a small way, and there is what can be called a social undertaking in Jakarta, the [Yayasan] Usaha Mulia. Bapak tells you that it is necessary for us to make donations to that social body but not to the extent of depleting our own strength and stability. That is why Bapak arranges that you should run enterprises and give twenty-five per cent of the net profits - of your clear profit after paying the workers, giving something to the committee and so on - after all that you should give twenty-five per cent of what profits remain to this body which looks after the social work. In this way those who receive it will feel satisfied and those who give will also feel satisfied, because it will not reduce the strength and stability of the funds, the resources, of their own P.T. Perseroan (Limited Liability Company). This, brothers and sisters, is why it is necessary for Bapak always to remind you that, besides receiving and practicing the latihan kejiwaan, it is very necessary for you to do enterprises...”

Comments:

According to the above, twenty-five percent of “clear profits” should be donated to the “committee” side of the organization, and an additional twenty-five percent of remaining profits to “the body which looks after social work”. This would mean that, given a distributable profit of \$100, \$25 would be donated to the committee-side of our Association and an additional \$18.75 (25% of \$75) to the social body, for a total of \$43.75 (43.75% of distributable profits) going to support Subud activities. This is not an interpretation of Bapak’s advice, but rather an example utilizing the guidance he has stated in the excerpt above.

What is perhaps more important here than percentages is that Bapak has clarified for us the relative positions of priority of the Subud organization to that of social work: Donations should first be directed to the Subud organization and, following that, to social work. This is a particularly helpful understanding when viewed from the perspective of both donors and the respective legal entities of WSA and SDIA which could possibly perceive themselves as being in ‘competition’ for donations.

A person might have a negative knee-jerk reaction to the organizational side of Subud receiving the “lion’s share” of donations, particularly if you are directly involved in social work (as I am) and know how difficult it can be to raise funding for your worthy cause; however, it should be noted that social work, when for the benefit of the disadvantaged in general, has the potential to attract substantial funding from non-Subud sources, far in excess of funds that can be raised from our current Subud resources. Organizational committees within Subud cannot, in general, fundraise from the general public for their own benefit.

The increasing success of fundraising efforts by charitable Subud projects and Susila Dharma entities as compared to the general Subud Association is not just as a result of members not fully appreciating Bapak's advice. The charitable projects and entities have begun to understand the value of regular annual reports, tax benefits, accountability of how funds were used, independent audits, etc, as these are all considered basic, minimal requirements for applying for funding outside of Subud. As a natural consequence, these minimal measures also inspire donations from the Subud membership. The organizational side of Subud might have more fundraising success if they would be willing to follow the example being set by the Susila Dharma entities. These minimal measures are the basis for inspiring trust and confidence, and where trust lies, money can follow.

However, the practicality behind Bapak's advice is clear: We need to have a strong organizational side in order to progress and to carry out the responsibilities incumbent upon the organization, as expressed in the quote above: *"...Bapak tells you that it is necessary for us to make donations to that social body but not to the extent of depleting our own strength and stability..."* and the excerpt in the following point B: *"...we should consider financial matters in order to allow the wheels of our spiritual brotherhood to turn more strongly..."*

For the past thirty years, the above advice from Bapak on donating to Subud has not been clearly conveyed to, or widely understood by, the membership. As a result, we now face a potentially competitive, but hopefully not adversarial, environment between the organizational side of Subud and Susila Dharma entities. A mutual understanding, based on greater Subud objectives, will be essential to guide us through this shift in priorities, in accordance with Bapak's explanation.

B. 83 LON 23 London, England October 8, 1983

"...This is the reason why Bapak urges you to do enterprises. And to the doctor who asked those questions, when he said that all this was all right for people doing enterprises, but what about somebody like himself, who was a doctor and had a fixed income - and Bapak said, that is right and there are many people like you who live on a fixed salary. Maybe you get 1000 Dollars every month and that's it. And you will never make a profit because you will never be in an enterprise. But that 1000 Dollars that you get every month, you generally do not always spend all of it - you often have some surplus. Maybe you get 1000 Dollars in a month that you only spend 800, maybe 900 Dollars. So, as a guideline, set aside 3 to 5 percent of what you earn every month and give that to Subud for these needs, for charitable needs, for running the organization and so on, and then you can be confident that your responsibility has been correctly discharged and you need not regret that you are not in an enterprise..."

"...So it is thus clear that other members who have a steady income, whether or not they are doctors, will sometimes have a surplus over their requirements, and can give some of it to Subud. For Subud is you; you yourselves; Subud can make progress if you really make progress, and if you do not make progress, neither can Subud. Thus it is clear,

brother and sisters, that the strength of Subud lies in the strength of your own shoulders and of your own selves. But at present, brothers and sisters, the people of the groups in various places cannot as yet do enterprises. It can be said that there are a few doing enterprises, and also a few of those are doing well and making profits so that they can give something, but they can only give once a year, whereas our requirements, brothers and sisters, can be said to be on a monthly or a daily basis. Thus we, ourselves have to make our Subud strong and not let it become weak, which shows that we are not really taking care.

*"... Thus it is clear, brothers and sisters, that we very much need to pay some attention and give some thought to our financial strength, although financial matters take second or third place as compared to spiritual matters. This is why Bapak hopes that this talk of Bapak's can be distributed all over the world, so that the member of all the various centers who do not happen to be here can understand what Bapak means by what he is saying tonight; that is, that **we should consider financial matters in order to allow the wheels of our spiritual brotherhood to turn more strongly...**"*

Comments:

As we have very few enterprises in Subud, most of us can apply this advice to ourselves. Up to the present, however, it has been customary to quote the 25% guideline for Subud enterprise donations, but we rarely, if ever, promote the 3-5% guideline to members who are not actively engaged in running an enterprise.

V. Current state of fundraising within the Subud Association

In most countries it would appear that a laid-back, "trickle-up" form of fundraising has become firmly established and implemented for, in some cases, more than forty years:

Members give to their local group, a portion is retained to cover group costs, the balance is forwarded to the regional and/or national level, a portion is retained there to cover regional and/or national committee costs, and the balance (or a portion thereof) is forwarded to the international level in compliance with the agreed-upon financial commitment of the country to the World Subud Association to enable WSA to carry out its work.

In addition to the above system, individual members and enterprises, and also perhaps groups, countries, and other Subud entities, are being increasingly targeted to support a variety of social and other worthy projects, initiatives, and enterprise start-ups.

Further, the existing system may not provide all the opportunities for tax benefits to donors; this will need to be reviewed on a country-by-country basis.

It is currently impossible to determine the average annual contribution level per member, as donations often go directly to a particular organization or entity, and there is no coordination between entities in this regard. We also do not have, in general,

accurate and complete membership numbers. This makes it difficult to compare and evaluate the effectiveness of a new fundraising campaign versus the previous system or an alternate one.

The Subud Association has not, historically-speaking, determined or set fundraising guidelines or procedures to apply to the existing system, nor have they coordinated or been involved with many fundraising drives since Bapak's passing. Budget shortfalls, in general, have been addressed by targeting a few individuals or entities and, failing that, a general panic appeal to the membership. However, recently, the need for setting guidelines has been discussed during the past and present WSA terms.

VI. Fundraising potential of different Subud organizations

Up to this point in time, funding for running costs of our various Subud organizations is dependent, virtually 100%, on the Subud membership and Subud enterprises. With such a small membership base (perhaps now less than 9,000 members) and so few Subud enterprises, the financial pressure is very great on the membership and the resulting funds are not enough to adequately support the running costs of our various organizations.

To further reduce the costs of operating Subud's various organizations is not feasible; all organizations operate with minimal, mostly volunteer, staff; are extremely cost-conscious; and, are often subsidized by the volunteers themselves. Therefore, the answer would seem to be to increase the level of funds received – from both within and outside the Subud membership.

Increasing donations from the membership would involve using fundraising techniques or campaigns aimed primarily at the members who do not donate regularly and, secondly, at increasing the donations of those who already do donate. The same would be true for enterprise donations. For this, it is advisable to use professional or experienced fundraisers preferably from within Subud, but if necessary also from outside of Subud.

The potential of various Subud organizations to fundraise from the general public is related to the solicitation and end-use of donations received; that is, does the general public, or a portion thereof (usually the disadvantaged or people seeking goods and services), receive the benefit, or is the benefit restricted to Subud members and its internal organizations only?

It is important to bear in mind that it is a normal accepted practice, when fundraising, that a portion of the solicited donations be retained by the organization raising those funds; up to 20% can be applied to organizational overheads, thereby resulting in subsidization of the organizing committee running costs. If "suitable" Subud

organizations [see matrix below] were successful at fundraising from the general public, a cash stream could result that would cover most of their of their operating costs. This would result in a “turning of the tides”, where instead of funding derived from Subud members only, funds could actually start to flow in the opposite direction – into the coffers of our collective Subud organizations to benefit the development and progress of Subud in the world.

The conclusion one could draw from the above is that it is essential to build the capacity of these “suitable” organizations to fundraise from the general public, thereby minimizing the pressure on individual Subud members, groups, and enterprises for funding to sustain the various additional organizations. Competition for funding between the various organizations from the Subud membership would be greatly diminished, if not eliminated entirely.

Below is a matrix which sums up potential fundraising, based on how solicited donations could be applied:

Organization	To benefit	Fundraising possible only from Subud members	Fundraising possible from non-Subud sources
World Subud Association (WSA)	Own operations & running costs	X	
WSA projects, e.g. Archives, talk translations, Subud Care Services, etc	Subud members only	X	
Muhammad Subuh Foundation (MSF)	Subud members and its organizations only	X	
Susila Dharma International Association (SDIA)	Own operations & running costs	X (initially)	X
SDIA projects	Disadvantaged people		X
Subud International Cultural Association (SICA)	Own operations & running costs	X (initially)	X
SICA projects	General public through entertainment, promoting advancement of the arts		X
Subud Enterprise Services International (SESI)	Own operations & running costs	X (initially)	X
SESI projects (i.e. enterprises)	Through provision of goods and services to the general public		X
Subud Youth Association (SYA)	Own operations & running costs	X (initially)	X
SYA projects	Subud youth through providing goods and services to the general public		X
National, regional, center committees	Own operations & running costs	X (initially)	X
Projects/enterprises of national, regional, center committees	Disadvantaged people, and through providing goods and services to the general public, i.e. commercial use of Subud Houses		X

As Bapak pointed out, the greatest funding potential, however, remains with the enterprises of Subud members, which directly benefit the individual Subud members involved as well as the Subud organizations through its contributions to Subud. As an organization, we would be well-advised to turn our focus to strengthening this sector.

In addition, a possible key to beginning to meet the challenge of funding the running costs of our Subud organizations may be to build on the assets we already have, such as Subud houses and the talent and expertise of Subud members, and to focus on building the fundraising-capacity of specific organizations such as SESI, SDIA, SICA and SYA.

VII. The case for one country at a time

Each country has its own “culture of giving” and any fundraising campaign needs to be sensitive to this culture in order to have maximum impact. To devise only one style of fundraising campaign to be launched in all countries is a recipe for failure.

Further, the scope of such a world-wide coordinated campaign is beyond our current capacity and would be impossible to implement, given the wide variety of personalities and the commitment required by all.

We have a much greater chance of success if just one country agrees to work with a WSA-founded Fundraising Team to conduct a “pilot campaign” for coordinated fundraising that would be implemented for at least three, preferably four, years. In this way, the campaign can be fully documented, evaluated, and improved, and the time spanned covers at least two terms of the national committee. The primary goal of the Fundraising Team is to improve the way funds are raised in the selected country, acquainting the national committee with such basics as the importance of an annual report, accurate membership rolls, qualifying for tax benefits, reporting back to the membership on how funds are used, and so on.

To this end, the Muhammad Subuh Foundation (MSF) began to discuss this concept over a year ago with the-then Chairman of Subud Canada (Dave Hitchcock) who, in principle, was willing to work with MSF to determine if a coordinated fundraising campaign was feasible in Canada. Canada is an excellent choice for a pilot campaign: the membership numbers are reasonable, the organizational structure within the country is well-established and very stable, members are highly committed to Subud in their personal lives as well as the progress of Subud in the world, and the members regularly financially support a wide variety of Subud institutions. Further, SDIA world headquarters are located in Montreal and, for the success of this pilot campaign, working closely in cooperation with SDIA is essential. The MSF Executive Director, Rayner Sutherland, is also located in Western Canada, which would facilitate communications between various parties in Canada.

Dave Hitchcock is now a Director of the World Subud Association, as the Zone 7 Representative. The current Chairman of Subud Canada is Michael O'Leary, and

has not yet been approached to continue to develop this concept of a coordinated-fundraising pilot campaign.

Only once a pilot campaign in one country has been implemented and evaluated, can the campaign then be adjusted for, and launched in, a second country willing to test this approach for three-to-four years, based on the now-proven track record of measured success in the initial test country. In this way, we can begin to learn to work together towards a more productive method of fundraising, step-by-step, in easy-to-accommodate measures.

There are currently perhaps only a handful of countries where a coordinated fundraising campaign will be useful. These would include Canada, the United States of America, England, Germany, The Netherlands, Australia, and perhaps Japan.

VIII. Type of campaign

There are many different types of fundraising systems and campaigns, but it is a commonly accepted practice amongst foundations that the purpose of an “annual giving campaign” is to provide funding for the “overheads” of a foundation, i.e. to cover the running costs of its day-to-day operations, and most of this is raised from within its own membership. This can be in the form of membership fees and/or supplemental dues, or simply an annual fundraising drive. An excellent example of this is the Rotary Club which utilizes an annual giving campaign in addition to its annual membership dues. The Rotary Club galvanizes its center committees to encourage the members to donate an additional \$100 per year per member, on average. Groups successful at raising its target contribution receive recognition and awards in the form of banners, posters, etc, to proudly display at their meeting hall. Critical to the success of this type of campaign is an accurate and up-to-date member register through which the organization can communicate with its members and determine realistic targets.

For our purposes, an annual giving campaign could be easily added to the existing fundraising structure within a country, without disturbing the normal system already in place. Since this type of campaign has a limited time-frame (say, perhaps one month) the implementation is relatively easy. Also, the effectiveness of this type of campaign can be easily measured and tracked.

The “coordination” aspect of this annual giving campaign for Subud emanates from the necessary cooperation between the parties concerned, notably: Centers, National bodies (including the national organizations of Susila Dharma, Culture, Enterprise, and Youth, as well as the organizational committee), and the international organizations of WSA, MSF, SICA, SDIA, SESI, and SYA. All these entities must agree beforehand to support this endeavor, determine appropriate financial targets, and to mutually agree upon a suitable apportionment of the funds arising as a result of this campaign.

IX. Implementation of the campaign

Initially, WSA needs to establish a Fundraising Team whose responsibility is to guide and coordinate the initial campaign in close cooperation with the country involved.

The country willing to try this annual giving campaign needs to:

- Solicit the cooperation, in principle, of its centers and national organizations
- Provide historical data of funds collected annually from its membership (say, the past three years) and the sectors from which the funds emanated (e.g. enterprises, member donations, or other) so that the success of the trial campaign can be compared with previous years' performances
- Be willing to work with WSA and any other entity involved in setting up the initial trial campaign
- Set a budget for campaign cost (which is repaid from revenue received)
- Set clear use of funds gathered from the campaign prior to campaign launch
- Agree on suitable apportionments (which percentages goes to whom)
- Work to make the campaign a success
- Evaluate, with WSA and any other entity involved, the results of the initial campaign, and to provide recommendations for the test the following year
- Report back to the membership in its country

International organizations such as WSA, MSF, SDIA, SESI, SICA, and SYA need to:

- Provide historical data of funds collected annually from members in the specific country (say, the past three years) and the sectors from which the funds emanated (e.g. enterprises, member donations, or other) so that the effect of the trial campaign on continuing, "spontaneous" donations can be tracked
- Provide data of funds collected during the year separate from the campaign
- Set clear use of funds gathered from the campaign prior to campaign launch
- Agree on suitable apportionments (which percentages go to whom)
- Work to make the campaign a success
- Evaluate, with WSA and any other entity involved, the results of the initial campaign, and provide recommendations for the test the following year
- Report back on the use of funds to the membership

X. In the meantime

It is clear that significant time and effort will be required by many people and organizations to coordinate fundraising within our Association in a meaningful way. There is a lot of reluctance in Subud to talk about financial and administrative aspects and, I believe, there is very little understanding by the majority of members of why it is essential to support the organization(s). Helpers and national committees need to

make more effort to fundraise for the organization and, up to now, have been reluctant to do so – in many countries. Perhaps they only require support and assistance in this regard. We can start now to address the initial measures to prepare the way:

1. WSA should establish a Fundraising Team comprised of professional and experienced fundraisers in Subud.
2. The Fundraising Team prepares key messages to be spread by international helpers, local helpers, and national committees on why members and enterprises owned by Subud members need to support the organization. For example, the messages could describe why the translation of Bapak's talks is essential; why archives are needed; the importance of the international helpers' work; encourage bequests to MSF for the long term development of Subud; and so on.
3. Explore methods, in various key countries, for individuals and enterprises to make tax efficient donations to Subud organizations.
4. Promote the commercial use of Subud houses to fund running costs. A great example of this is Subud Britain, who is able to cover half its running costs through the commercial use of its Subud houses.

XI. Summation

To adequately address the need to satisfy the mandate from the recent World Congress, WSA should appoint a Fundraising Team comprised of experienced fundraisers to oversee the task set before our collective boards. This Team can explore, and work towards, implementing an approach to “coordinated fundraising”, whilst preparing “key messages” for immediate use and strengthening in general our collective capacity to fundraise more effectively.

This paper has outlined one possible fundraising scenario that the author feels is achievable, given the cooperation of all parties concerned:

A trial annual giving campaign, launched in just one country, with the objectives of building the capacity of specific organizations to raise funds from non-Subud sources; the strengthening of our existing organizations; encouraging the establishment of enterprises; utilizing our current assets to their best potential (e.g. Subud Houses); and, raising the awareness of the needs and use of funding for the greater Subud Association.