



## MISSION

The Muhammad Subuh Foundation honors the name of the founder of Subud, Bapak Muhammad Subuh Sumohadiwidjo. It serves to build a lasting financial capacity for the Subud community, with dedication to the long-term aims of the World Subud Association.

## VISION

The Foundation envisages a Subud community that is active and effective in the world, in all fields of human endeavor. It supports this vision by providing financial and other assistance to a wide-range of activities and programs, including social and humanitarian work, cultural endeavors, youth projects, and others.

## VALUES

As trustees of the Muhammad Subuh Foundation, we are guided in our work by the following values:

### Integrity

In making decisions and carrying out our actions we are committed to working through personal integrity and best practice combined with inner guidance and common sense.

### Openness

We base our relationship with donors, recipients and the community on transparency, candor and mutual trust.

### Diversity

We value diversity of the human spirit and recognize the uniqueness of each human being and culture.

### Sustainability

We believe in effecting sustainable change that has transformational goals and measurable positive outcomes, recognizing that how things are done is as important as what is done.

Muhammad Subuh Foundation is registered in Virginia, U.S.A and is tax exempt under 501(c)3 No. 52-1742864

# Subud House Grants awarded

The Foundation awards grants and loans for Subud Houses twice a year. In its initial meetings together in January 2010 in Christchurch, New Zealand, the new board of trustees of the Muhammad Subuh Foundation agreed upon the first set of grants and loans to be awarded in 2010 to the groups of Cherkassy and Bogota, and provisionally agreed in principle to a request from Kinshasa.



Subud Cherkassy

**Cherkassy, Ukraine:** A grant of US\$8,000 for the purchase of land adjacent to their existing Subud House was agreed upon. This expansion will provide them with further opportunities for growth of their Center.

**Bogota, Colombia:** A grant of US\$3,500 and a loan of US\$1,500 has been approved to enable the group to make renovations and improvements to their Subud house.

**Kinshasa, DR Congo:** Due to an increase of regulations governing funds disbursed to the DR Congo, a grant of US\$25,000 and a loan of US\$15,000 for their Kinshasa Subud house have been provisionally approved, contingent upon:

- Letters of endorsement from three international office holders
- Receipt of a US\$15,000 grant from the World Subud Association from their earmarked fund established to support the development of Subud in Africa
- The agreement of Garrett Thomson, former chairman of the International Subud Committee, to continue to liaise with the Kinshasa group for two years, or at least until the Foundation is in receipt of the first installment of the loan
- Repayment installments of US\$1,000 per month is extended to provide more flexibility
- Receipt of a signed letter of agreement from the Kinshasa group chairperson
- Overcoming technical hurdles of transferring funds to the DRC

A second set of Subud House grants and loans will be determined later in 2010. For more information on how your center can apply for a Foundation loan and/or grant, visit: <http://www.msubuhfoundation.org>

# Centers honored at Congress



Subud Popayan members pose in front of their Popayan Subud House with their commemoration plaque from the Muhammad Subuh Foundation

Thirty-one Subud groups from around the world were presented plaques by the Muhammad Subuh Foundation at the 13th Subud World Congress in Christchurch, New Zealand. At a special afternoon ceremony, representatives from each group received the plaque, which was presented in acknowledgment and appreciation for the groups' efforts in working with the Foundation to obtain, build or improve the facilities of their centers.

The plaques were created in nine different languages expressing various approximations of "With gratitude to Almighty God for the establishment of this Subud Center". Made of acrylic with a drop-shadow effect, the signs are to be displayed inside each Subud facility sponsored by the Muhammad Subuh Foundation.

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# FOUNDATION HIGHLIGHTS

## WSA & MSF sign MoU

The very first 'official' signature of Luke Penseny as the new chairman of the World Subud Association was applied to the signing of a Memorandum of Understanding ("MoU") between the Muhammad Subuh Foundation and the World Subud Association. Samuel Simonsson, as the new chairman of the Muhammad Subuh Foundation signed in counterpart, confirming the understanding between their respective organizations.



*Luke Penseny, chairman of the World Subud Association, signing the MoU. Luke also serves as ex-officio trustee for the Muhammad Subuh Foundation.*

For the past two years, a task force comprised of representatives from the Muhammad Subuh Foundation and the World Subud Association have been working together to create a Memorandum of Understanding (MoU) between the two parties. The MoU outlines the basic legal and working relationships of the organizations and provides the basis and framework to address more in-depth issues in the future.

## New trustee appointments

In January 2010, four new trustees were selected, and one re-appointed, by the directors of the World Subud Association to replace outgoing trustees Leonard van Willenswaard, Simone Paige, Dahlan Foah, and Osanna Vaughn. The new trustees are Samuel Simonsson (Spain), Lawrence Fryer (Germany), Luke Penseny (ex-officio; Canada) and Shyam Wadhera (India). Olvia Reksodipoetro was confirmed to serve a second term.



**Muhammad Subuh Foundation 2010 Board of Trustees & Executive Team**

*From left to right: Rayner Sutherland, executive director; Lawrence Fryer, trustee and treasurer; Ibu Ismana, trustee; Olvia Reksodipoetro, trustee; Lillian Shulman, administrator; Hannah Baerveldt, trustee; Samuel Simonsson, trustee and chairman, Luke Penseny, ex-officio trustee. (Our appreciation to Sahlan McKingley for the photo)  
To the right is pictured Shyam Wadhera, trustee.  
Not shown: Elwyn Waugh, accountant.*



Ibu Ismana Haryono and Hannah Baerveldt continue to serve as trustees until the conclusion of their terms in 2012.

Samuel Simonsson was appointed chairman of the Foundation by unanimous vote of the trustees present, replacing Olvia Reksodipoetro as out-going chairperson. Our heartfelt appreciation is extended to all retiring trustees and chairperson for their service and dedication on behalf of the Foundation.

## SDIA & MSF agree on MoU draft

Discussions at the 13th Subud World Congress in New Zealand proved fruitful for both the Susila Dharma International Association and the Muhammad Subuh Foundation, as both parties were able to agree on a draft Memorandum of Understanding (MoU) between the two organizations.

At a joint meeting held on 11 January 2010, essential points of the MoU were agreed upon, as mutual appreciation and understanding of each organization's requirements was achieved amongst the participants.

## Executive & volunteer appointments

Elwyn Waugh, an accountant from the UK, has been appointed to replace Leonard van Willenswaard, who is retiring this year, as the Foundation accountant. A big thank you to Leonard for his significant contribution over the years.

To ensure the Foundation continues to deliver the best in service for Subud, three members have been confirmed to serve as investment advisors to the Muhammad Subuh Foundation. All three volunteers are experienced investment professionals, and have already completed work on drafting a Foundation investment policy statement and charted a recommended course for investments.



# Grantmaking – Our world has changed

The aftermath of 9/11 has precipitated additional bureaucratic procedures for foundations registered in the USA who provide grants and financial support to foreign entities. After 2001, the US Treasury Department's Office of Foreign Assets Control (OFAC) became one of the key US government agencies seeking to shut down the funding of terrorism around the world. The OFAC includes charities based in the USA in their efforts to stop or prevent the funding of terrorist activities. US grantmakers now need to be diligent in complying with conditions set out by the OFAC.

The Muhammad Subuh Foundation must meet the challenges of the additional due diligence required and, as a result, the Foundation is in the process of refining and tightening our application procedures and reporting. Our journey of discovery has revealed several important elements:

### **"The List" & what it means to foundations**

President George W. Bush enacted "Executive Order 13224" which allows the government to block the assets of any US person – a term that includes foundations – that appears to engage in transactions (both grants and/or technical assistance) with a 'listed' person or entity. One list that has been drawn up is called the "Specially Designated Nationals" (SDN list), which now amounts to hundreds of pages containing the names and "also-known-as" (a.k.a.) of thousands of individuals and organizations believed to be linked to terrorism.

The government has considerable discretion in deciding when to block the assets of a foundation; however, it appears it would be unlikely for the government to take action against a US foundation based on a single inadvertent act. The flip side is that *"blocking can occur even if the foundation did not know that it engaged in a transaction with a listed person or that the person was a supporter of terrorism,"* according to Janne Gallagher, the general counsel and vice president of Legal and Public Policy at the Council on Foundations (<http://www.cof.org>). Furthermore, the government does not provide either notice or an opportunity for a hearing before blocking access to foundation assets.

### **What are grantmakers expected to do?**

Initially, in November 2002, to better assist grantmakers and charitable organizations to comply with new regulations, the Treasury Department issued its *"Anti-Terrorist Financing Guidelines: Voluntary Best Practices For U.S.-Based Charities"*. This document recommends that grantmakers check their grantees against the SDN list and also against other publicly available lists of known or suspected terrorists. Some grantmakers — including those that have incorporated list-checking into their standard due diligence practices — challenge whether this exercise adds any value in preventing the diversion of grant funds for unlawful purposes. Another reality is that each dollar spent on list-checking is a dollar less for grantmaking.

To address this bureaucratic challenge, the Muhammad Subuh Foundation has formed its own task force to examine how the Foundation can best accommodate governmental regulations without it becoming an excessive burden for those applying for, or receiving, grants or loans. The results of the task force will be made available to other Subud foundations registered in the USA, such as the World Subud Association and Susila Dharma International Association — as they are also subject to these same regulations. Until the task force has completed its work, here are some important principles to keep in mind, based on advice from the Council on Foundations:

- U.S. grantmakers must obey the law and refrain from knowingly providing material support to persons that engage in acts of terrorism.
- Grantmakers should evaluate their existing due diligence procedures for vetting grantees and for ensuring that grant funds are used as the grantmaker intended and not diverted to any illegal or non-grant related purpose.
- Some grantmakers with ethical objections to list-checking may decide that their standard due diligence gives them enough information about their grantees to obviate the need for list-checking.
- Others may decide to incorporate a scan of the lists as a routine part of their decision process for all grants or in some situations.

### **There's more...**

The following excellent resources will provide further information on this topic:

- Council on Foundations: <http://www.cof.org>
- Anti-Terrorist Financing Guidelines: Voluntary Best Practices For U.S.-Based Charities: <http://www.ustreas.gov/press/releases/hp122.htm>
- Principles of Accountability for International Philanthropy: <http://www.cof.org/files/Bamboo/whoweserve/international/publications/PrinciplesAccountability.pdf>
- The law in the area of anti-terrorism changes frequently so stay up to date by visiting the United States International Grantmaking Website: <http://www.usig.org/>

### **Terrorist Designation Lists:**

- Foreign Terrorist Organizations List (FTOs): <http://www.state.gov/s/ct/rls/other/des/123085.htm> (Impacts travel related to terrorist organizations, makes it a crime to provide material support to terrorist organizations, and freezes the financial accounts of terrorist organizations in U.S. financial institutions.)
- Terrorist Exclusion List (TEL): <http://www.state.gov/s/ct/rls/other/des/123086.htm> (Impacts and restricts travel associated with terrorist organizations.)
- Executive Order 13224: <http://www.state.gov/s/ct/rls/other/des/122570.htm> (Designates both individuals as well as organizations, and contains provisions to block/freeze tangible property.)

**To support MSF and its projects, please visit:**  
<http://www.msubuhfoundation.org/fundFS.htm> [click on "contributing"]  
or contact Lillian Shulman at: [lillianshulman@netscape.net](mailto:lillianshulman@netscape.net)

## FOUNDATION SUPPORT: YOUTH



### Youths at Congress - thank you!

The matching-fund campaign was a great success in ensuring that 65 youths were able to participate in the 13th Subud World Congress in New Zealand in January 2010. As part of the sponsorship conditions of the International Youth Travel Fund (IYTF), each youth agreed to assist in the operation of Congress activities. From registration to food service to photography and babysitting, the youth were kept busy for about four hours daily. The fundraising campaign was a collaborative effort of the Muhammad Subuh Foundation and the Guerrand-Hermes Foundation for Peace who each pledged to match, dollar-for-dollar, the fundraising efforts of the youth (whose efforts were often facilitated and supported by the World Subud Association) - up to a maximum of US\$30,000. As a result, more than US\$90,000 was raised in total, enabling a small surplus to be retained for future youth travel. When the Foundation trustees met with youth representatives at Congress, it was clear that the youth are inspired to continue this kind of collaborative effort. A spirited auction held by the youth followed the popular fashion show in which approximately US\$3,000 was raised for youth activities. A challenge was put to MSF to match these funds; donations are very much appreciated to help us meet this challenge!

## MSF Donor Recognition

*Our sincerest thanks to these recent donors contributing to the various funds of the Foundation:*

Hamilton Chaffee	David McCormack
Haryanto Truong	Laura White
Marcella Cooke	Lillian Shulman
Estate of Riduan Tomkins	Simon Davis
Sermin & Hassan Fehmi	Dahlan Simpson
Victor & Shoshana Margolin	Subud Austria
Rohana & Abdurrachman Mitchell	Lavinia Swanson
Mahrus and Hamidah Herhacker	Raymond North
Ir. Muhammad Mustafa Syafrudin Achmad	

### BSB Residual Assets Trust and the following donors:

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Ibu Hardiyati Syafrudin	Lucian Parshall
Ibu Siti Rahayu Wiryohudoyo	Dr. Patrick McClure
Bamabang Sumenang, DRS	Hermine Rutz
Bambang Soetedjo, DRS	Lorna Mitchell
Oakley & Rohana McLaughlin	Helma Laurian
Icsan & Roosmiwati Reynolds	Duccio Bassi
Hasan & Malama MacNeil	Medwin Lehman
Mashuri Warren & Istafiah Bevier	Estate of Aisah Parker
Raymond & Jane Prescott	Lamont & Heidi Lear
William Thomas Henry Old	Rohana Hutchings
Marie Ethel Green (deceased)	Rev. Rohana Laing
Edmund John Green (deceased)	Ronald (Simon) Davis
Estate of Masaaki Koichi Abe	S Dwijosoemarmo
Samuel & Helena Gudgeon	Maliat Kustur
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(deceased)	Husein Jethabhai Patel
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## FOUNDATION SUPPORT: SUBUD HOUSES

### Seattle, Washington, USA

Subud Greater Seattle is located near downtown Seattle in the State of Washington in the United States of America. Renovations started in 2004. After undergoing many renovations the building has been transformed into a refreshed and renewed home for Subud in the area.

As part of the process, the property was professionally inspected to identify what needed to be done. The list was long. With a loan of \$40,000 from the Subud USA House Fund, the group started renovations on the outside and were able to fully paint and patch siding, and install new energy-efficient windows, doors and roof.

An MSF grant, matched by local donations has enabled the group to proceed with more renovations, especially the replacement of old and unsafe "knob and tube" wiring with new wiring and electrical service panels.

The women's meeting hall was completed In January, 2008. It now has ecologically "green" fixtures: lights that brighten the room, doubling the wattage, ceiling fans that increase ventilation and sconces that can be dimmed. This transformed space should now attract many different uses, including weddings and workshops to generate revenue to support the remodeling.

Muhammad Subuh Foundation 2007 Grant: US\$20,000



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