



MUHAMMAD SUBUH FOUNDATION

The Foundation of the World Subud Association

eNEWS August-October 2011

MISSION

The Muhammad Subuh Foundation honors the name of the founder of Subud, Bapak Muhammad Subuh Sumohadiwidjojo.

It serves to build a lasting financial capacity for the Subud community, with emphasis on 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 many fields of human endeavor. It supports this vision by providing financial and other assistance to a wide-range of activities and programs aimed at improving the condition of the communities they serve, including social and humanitarian work, cultural endeavors, child and 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*

How to Create Your Own MSF National Endowment

Many national committees and other Subud organizations have wondered about the possibility of establishing an endowment fund to benefit the development of Subud in their own countries or areas of work. However, legal requirements and tax registration and filings often prove difficult, especially for national committees who usually have only two years in which to complete this work. Continuity and successful administration of the endowment is also challenged by frequent committee handovers, as well as keeping the sanctity of the original purpose of the fund intact – for the life of the fund. National committees and organizations that set up their own endowments need to become investment stewards as well as endowment fund administrators – challenging tasks for anyone to become proficient at in a short time.

Bapak confirmed that the role of the Muhammad Subuh Foundation is to serve as the receptacle to receive the bequests of Subud members for the long-range stability and development of Subud. MSF was designed and established for this purpose by Varindra Vittachi in 1991, and the Foundation has now had years of experience in bequests and fund administration. MSF trustees have overlapping terms to encourage smooth continuity and transfer of knowledge and expertise to incoming trustees, as well as the support of a skilled executive team and an experienced and qualified investment advisory team. Confidentiality for donors is assured through non-disclosure agreements which must be signed by all MSF trustees and executive staff. The work of the Muhammad Subuh Foundation offers national committees and other groups, like our “wing” organizations, the very vehicle to establish endowments to further their work into the future.

MSF endowment funds can be created to support the purpose and function your country or organization chooses, and our years of experience can help you avoid potential pitfalls. The continued responsibility of reporting, governance and other issues is the work of MSF on behalf of the national committees, or organizations, leaving committees free to enjoy the benefits of an endowment fund without the requisite work.

The **Leonard and Aisah Parker Endowment Fund** is one example of an MSF-administered national endowment fund benefitting the development of Subud a particular country, in this case Subud Australia. Established in 2003, the Parkers felt confident that MSF would provide the expertise and security needed to administer their bequest for



“We invite all of you to help this [Muhammad Subuh] Foundation develop, because the strength and success of this Foundation depends on your involvement to help protect and support it, so that the Foundation will serve and assist the growth of Subud, and we can become one large family, and we can look after our needs out of our own resources and strength.”

Ibu Siti Rahayu Wiryohudoyo

Quote from Ibu's resignation speech at an MSF meeting, 29 July 2005, 12th World Congress, Innsbruck, Austria

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How to Create Your Own Endowment, *continued*

Subud Australia into the future. The Parker bequest stipulates that only the investment earnings may be distributed, leaving the principle intact. However, other national committees may want to have a small percentage or set amount of the principle paid out each year in order to ensure funds are available to them on a regular basis; it is up to the creators of each national endowment fund to decide their own terms, which are then reviewed and accepted by the Foundation through a legal document called an endowment policy agreement.

The **Bapak Legacy Fund** is another example of a nationally-created fund that was entrusted to MSF in 2000 by Subud USA to safeguard and administer, for the benefit of Subud world-wide. Established by generous donors in the USA and elsewhere, the stipulations of this fund include investment requirements as well as distribution instructions by Subud World Congresses beginning 2014. The Bapak Legacy Fund continues to receive earmarked donations via MSF which progresses the fund's ability to provide for Subud's future needs.

How does a national committee or organization go about creating their own MSF national or organizational endowment fund? A good first step is to consider the following questions:

1. What type of endowment fund do you want to establish? Is it a fund where the principle always remains inviolate, or should a percentage or specific amount of the fund be distributed at a set time?
2. What is the purpose of the fund, i.e. what will it benefit in your country or area of work?
3. How are the proceeds to be distributed? What is the timing of the distributions, e.g. annually, semi-annually, or bi-annually such as at the beginning/middle/end of a new committee term? What entity in your country is to receive the funds? Do you want to place any conditions or requirements on the distribution and use of funds?
4. Are there specific investment guidelines you wish followed?
5. How are you going to promote the fund within your own country? How will you encourage bequests from within your country to go to your national endowment fund?
6. Do you represent a legally-established entity? If so, an MSF agency endowment agreement may suit your needs the best. An MSF agency agreement is an agreement between two legal entities authorizing the Foundation to manage your endowment on your behalf.
7. How will you collect the initial capital for the fund? MSF has set a minimum of US\$50,000 to establish an endowment fund; however, this can be discussed with MSF further if an alternate sum is preferred.

National committees and groups should seriously consider establishing an MSF-administered endowment fund for the benefit of their own country or area of work – as the fund can become a vehicle for encouraging sustainable financial stability, a national unifying-point for bequests and donations, and building financial strength for Subud in your country. MSF can assist you with this, helping you to define and create an endowment fund that meets your own organization's specific needs.

To learn more about setting up an MSF national or organizational endowment fund, we encourage you to contact the MSF Executive Director, Rayner Sutherland: Rayner@dccnet.com

FOUNDATION HIGHLIGHTS

Foundation 2010 financial accounts available

The 2010 financial statements are now available on the MSF website:
<http://msubuhfoundation.org>

It is good to note that the new U.K. auditors required no changes to the draft accounts. Delays in posting the accounts occurred primarily due to the transition to a new financial reporting team, including new auditors. A schedule has already been developed to ensure timeliness of the 2011 report.

New bank account open

The MSF US Dollar account is now open: NatWest, Victoria Place, Axminster, EX13 5AR, United Kingdom. Account name: Muhammad Subuh Foundation; Account number: 00 75503190 (USD).



MSF funding for new Subud Center in Washington, D.C. area

By Lillian Shulman

The board of trustees of the Foundation has recently approved a grant of US\$20,000 and a loan of US\$20,000 to help with the construction of a new Subud Center near Washington, DC.

New SUSA Office & East Coast Regional Center

The new DC Center has been chosen as the future location of the SUBUD USA (SUSA) National Office, which is expected to relocate in the late spring from its present, long-time Seattle-area location. The Center has been designed for Regional activities and includes two large meeting halls, a full kitchen, a small studio apartment, an additional bedroom, and spacious grounds for gardening, wandering, and camping. A change of ownership to Subud East Coast Region (SEC) will be considered at the May 2012 Subud East Coast Regional Congress. Perhaps one day this DC Center will also serve as a National or even an International Center.

Management

Subud Washington DC (SWDC) will continue to manage and operate the property as a local center with expected future oversight and participation by a Regional Housing Committee and Council of Chairs. The DC group plans to rent out space for meetings and events to help meet annual expenses. The Center's first and most celebrated renter will be SUSA at US\$500 per month.

Current DC and satellite groups

At present there is no Subud center large enough to accommodate the 75+ members in the greater Washington area, including the satellite groups in Northern Virginia, Central Maryland, and Baltimore. The satellite groups



will continue to use their own space for weeknight meetings while the new Center will be accessible to all members on weekends and for special events, and to the growing number of members living in the area on weekdays.

Some vital statistics & timelines

The new DC Center will be built on a plot of land a little over one acre in size, located in Beltsville, Maryland. It will

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New Washington DC Subud Center, continued

be a two-story building with a 2500 square foot (sq. ft.) footprint, with floor space of 5000 sq. ft., plus an additional 2500 sq. ft. basement to be finished when needed.

(See www.subudwdc.org for details and updates.)

The building is expected to cost about US\$650,000. Construction will begin as soon as required permits are in place, which is expected to be in January, with lighting, interior work, parking facilities, and landscaping scheduled to be finished in the spring. The SWDC team now has the benefit of volunteer architectural services to redesign the floor plans and the façades, to give the center a more modern look.

An Update from the SWDC Chair

SWDC is thrilled that our vision of a center for all Subud, instead of just for our small group, is catching the imagination of Subud members far and wide. Currently, we have over US\$200,000 on hand. Two-thirds of the 68 donors are not from the greater

DC area but rather from throughout the US. We have firm pledges of another US\$410,000 -- a \$300,000 individual loan, a \$70,000 SUSA loan, and a \$40,000 MSF loan/grant -- for a total of US\$610,000. We will call in those pledges closer to ground-breaking time to avoid any unnecessary interest payments. We expect some overruns, so we need to continue our fundraising drive for an additional US\$50,000-80,000. We are welcoming donations now and would be glad to send a business plan to anyone who requests it. Donations should be payable to Subud Washington DC and mailed to:

Barbara Thomas, chairwoman; 5957 Second Street, Deale, MD 20751 USA

For a business plan, contact Barbara at bthomas60@comcast.net

Struggles, joys and learning have been experienced in equal measure on the building of this Center. It has been a long time taking shape, with mishaps along the way. However, we are almost there and can't wait to roll out the red carpet to welcome you for a visit!



Kenton Hensley and Rohana Alkaitis holding the early architectural sketches of the house. Next is Harris Woodward (Subud modular builder), Barbara Thomas (Subud Washington DC chairwoman), and Ra'uf Ramsey (serving as "owner's rep").

Photos courtesy of Barbara Thomas

Support Foundation Endowment Funds

Did you know that you can contribute to existing endowments? Your continuing support for Foundation endowments can strengthen the work of Subud in the world, in Australia, focus on better distribution of Bapak's talks and assist disadvantaged people in education. Check out the existing Foundation funds:

General Fund provides support for Subud premises, translations, Bapak's talks, archives, infrastructure capacity-building, helper travel, and many other worthy programs of the World Subud Association.

Bapak Legacy Fund is designed to promote lasting financial capacity for the Subud Association. It is a permanently-restricted fund whose principal is held in perpetuity and only the income and appreciation on the funds may be distributed.

Leonard & Aisah Parker Endowment Fund benefits the work of Subud Australia and is a permanently-restricted fund.

Farkas Endowment Fund supports educational opportunities and programs for young people in need around the world, and helps make Bapak's talks widely available. A permanently restricted donor-advised fund.

MSF Donor Recognition

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

General Fund:

Subud Japan Zone 7
Estate of Lawrence (Machmud) Branting

Rohana Darlington
Estate of Lavinia Swanson

Japan earthquake relief:

Sandoval Nocchi

NZ earthquake relief:

Luqman Harris
Osanna Vaughn
Mughtar Nankivell
Julia Hurd
Elaina Dodson
R. & C. Robertson

Sassienie
Lorna & Hamish Barker
Gauhar Wadhwa
Santa Raymond
Roosmiwati Reynolds
The Son Mai

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Hamdan Bravo
Anonymous
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To support MSF and its programs, please visit:

<http://www.msubuhfoundation.org/fundFS.htm>
[click on "contributing"]

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