

November 9, 2004

I hope this message finds you happy and well.

First, the four PCV Project Proposals submitted by PCThailand during the third quarter were approved by the Friends of Thailand Review Board.

The projects were:

- **Anita Alcorn, Thai 114 - P.H.A. Leadership Training Workshop: Designing and Implementing an Effective Aids Prevention Program, in the amount of \$300**
- **Amy McGarry , Thai 114 - Life Skills Camp, in the amount of \$300**
- **Steve Bydal , Thai 114 - "Altitude", a video about six community members' climb towards higher education, in the amount of \$187.50**
- **Josh Hall, Thai 114 - Leekaypa Folklore Project, in the amount of \$300**

Thanks to Board members for their conscientious review of the proposals, which can be read on the FoT web site in Project Sponsorship, 2004.

Update on the 501(c)(3) application: Unfortunately, and for certain reasons, our application period expired before certain items could be forwarded to the IRS and we will have to file again when funds to cover the application fee become available. More on the financial situation follows in the next paragraphs, which I urge you to read.

As most of you know, we are a joint-dues affiliate of the National Peace Corps Association (the independent RPCV organization in Washington D.C. **NOT** to be confused with Peace Corps itself). Some of you have joined Friends of Thailand through the NPCA or have renewed through them.

For the first year and a half after becoming the official PCThailand RPCV affiliate in early 2002, we received regular rebate lists and checks from the NPCA for memberships and renewals a month or two after the fact. Last Fall, however, communication began to slow and now has come to almost a complete stop. As of today, we have only received reimbursement for membership and renewals through June of this year, and we have not received monthly lists of anyone who joined or renewed after July. Last week, Group Leaders of the joint-dues affiliates received a message from Kevin Quigley, current NPCA President and FoT member, explaining the situation. That message has been pasted at the bottom of this message. Unfortunately, Kevin was not able to write that the situation will improve quickly.

This situation has, unfortunately, caused a few problems for Friends of Thailand. Here are the three most pressing concerns

- because the NPCA can not tell FoT who may have joined FoT or renewed their FoT membership through them from August on, the FoT membership roster is indefinitely on hold. As usual, FoT is sending out regular monthly renewal messages, but because many may be renewing through the NPCA, we can not get a clear indication of where we stand.

- because we have no up-to-date membership information from the NPCA, we do not know just how much money earmarked for Friends of Thailand the NPCA has collected from people. Therefore, the FoT budget is indefinitely on hold.

- because we do not have access to FoT membership fees paid to the NPCA from July on, and do not know when that situation will improve, we will have to depend totally upon fees paid directly to FoT. That would indicate the need to put several aspects of our own program on indefinite hold until the NPCA is back on track. Two suggestions to reduce our expenditures have been made by Review Board members. Both those measures would allow FoT to replenish its project fund for the first quarter of 2005. They are
 - canceling the anticipated Fall, 2004 FoT newsletter. The next issue would come out in Spring, 2005
 - scuttling PCV project sponsorship for the current quarter, which ends December 31. This would definitely have an impact upon the volunteers and their possible project plans for that period. But the third quarter outlay (\$1087.50) was considerable given the NPCA situation

Please send along any comments about the aforementioned suggestions on how FoT might cope with the current financial dilemma. They will be greatly appreciated.

Thank you for your time and please take another few minutes to read Kevin's message below.

Sincerely,

Dear Group Leaders,

I am writing to ask your help and explain why there has been a delay in sending the rebates and group lists.

This 25th anniversary milestone year has presented great opportunities and significant administrative challenges. The 25th anniversary conference was a programmatic success, but we fell far short of our revenue targets due to insufficient registration, sponsorship and a fundraising event that was a fabulous event in every regard except financially.

In addition, two system issues have severely hampered our membership renewal efforts. From March to June, a glitch with our nine-year-old highly-customized database system significantly underreported the number of renewals due. As a consequence, nearly 2,350 renewal notices were not sent out in a timely fashion.

We addressed this challenge just prior to the August Conference, and we were beginning to recover ground in July when rebates were sent out. However, the conversion to the much-needed Association Management System--which began in August--delayed our ability to send out renewals for a longer time than expected. As a consequence, we were unable to send out membership renewals in August and September. We were finally able to send out 2,300 renewal notices during the second week of October.

The significant revenue short-fall associated with the Chicago Conference coupled with two separate systems issues impeding timely membership renewals have resulted in a serious cash flow challenge for NPCA. One of the results has been delays in sending out rebates.

We are now beginning to recover some of the lost ground and sent out rebates *for June (Carolyn added this)* two weeks ago. In addition we have taken a number of steps to reduce ongoing expenses so as to improve our position.

Staff is working aggressively to secure membership renewals through the year end. We are also focusing on year-end contributions. Thanks to Peter Yarrow we issued a special appeal,

which you should have received. The year-end appeal should reach our membership within the next three weeks.

We are making every effort to pay rebates in a timely fashion but we expect that it will be a few months before we are back on schedule. In the meantime, as cash becomes available through renewals and contributions we will be making rebates. We plan to make a special effort to provide rebates for joint-dues groups that are more dependent on more of their resources from NPCA.

We all deeply appreciate your understanding and flexibility.

Kevin Q.