December 9, 2007

Dear Members of WILPF,

Our wonderful organization is in such poor financial health that the Board has been forced to take drastic action in order to keep us from closing the national office. As you may know, the recent strategic planning was prompted by dwindling membership, funding deficits and poor national exposure. Our members have been and continue to be extremely generous in their support of WILPF. This shortfall is chronic, related more to the realities of having only 4000 - 5000 members, than to anything else.

One of the responsibilities of The National Board is to be fiscally responsible for the organization. As decision-makers, we must keep abreast of the financial affairs and analyze the income and the expenses with a degree of care, caution and diligence that prudent persons would exercise in handling their own personal finances.

We are a membership driven organization and have always relied heavily on the dues and contributions of our members. We rely very little on outside foundation and grant funds. This is a good thing because the more unrestricted funds that we have, the more creative our program work can be. Historically, our budget is based on what we project will come in by way of contributions and dues. We have always struggled because we do not have a steady cash flow and can not predict when monies will come into the office.

Also, historically, we have used bequest funds to balance our budget. Many of us have been saddened by this practice because we would like bequest funds to be put aside and used for building WILPF and not just maintaining WILPF. This year, the board passed a policy that put a percentage of bequest funds into a separate account, with the purpose of having it be available for the extra creative work of WILPF.

Over the years, we have adjusted to the uneven cash flow and plan for a greater flow of money to come in, in the fall, with our fall renewals and our Every Member Letter. Our monthly expenses, which includes payroll, utilities, rent and mailings total about $42,000. In the past few months, we have brought in about $10,000 a month and have used all of our savings and bequest funds and will borrow money from JAPA to meet our expenses. In addition, we have a credit card balance and contractor bills that total $30,000.

Although this is an extreme financial time for us, we, as a board, need to not hope for the best and see if we can survive another year. We need to examine our actual income and bring our expenses into line. We have a two prong plan of making major cuts and fundraising. It is with deep regret that we will be laying off our staff, as of January 4, 2008. They will be given a month's notice, two weeks severance pay and be eligible for unemployment.

Even though payroll is a majority of our expenses, we will also be looking for other places to cut in our budget, as well as, develop a fundraising plan. It is our intention to continue our operations and to upgrade our communications and database capacity to improve our connections with branches and members in keeping with the goals of Strategic Planning.

Our personnel policies state that when laying off staff due to budgetary reasons, we can reconfigure jobs so that we can meet our minimum needs for the organization. Staff members will be given the opportunity to take the new position(s) in order of seniority. This work is presently being done.

This plan does not alter our strategic planning next steps. Our problematic financial state is one of the reasons for our strategic planning, in the first place. It is our hope that you will all join us as we rebuild WILPF. WILPF is here and will always be here. We have come to a cross roads where we can bring our finances into line, build a trust with our membership and bring in new members.

We will set up another membership call in January to keep you abreast of these next steps. For any comments, please contact Ellen Murtha, Board Treasurer, at efmurtha@cruzio.com

Sincerely,

Chris Morin
President
Representing National WILPF Board