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March 23, 1968

TO ALL BRANCHES

Finances

Dear Comrades:

The response to the appeal for larger quotas for the current National Fund Drive has been very encouraging.

Seven branches have accepted the larger proposed quotas as of this date.

The most impressive improvement in the party's ability to meet its increasing financial obligations, however, is the number of branches that combine their regular sustaining fund pledge with a regular monthly payment toward a Fund Drive quota. That is, the amount normally pledged by branch members to two annual fund drives is averaged and made a part of their regular weekly branch sustaining fund pledge. The branch then makes a regular monthly pledge to the N.O. which includes a monthly payment on the expected fund drive quotas.

This method of regularizing national party finances has been the long-range goal of the party for the past several years. That goal is much closer now and each branch should seriously consider adopting the combination system. When we reach the goal we will be able to dispense with the twice-yearly 3-month fund drive campaigns. Fund drives for really special purposes and specific campaigns could then be utilized to appeal for more money outside the party from peripheral supporters and friends.

The best time for a branch to begin regular monthly payments of its total financial commitment to the national office is at the conclusion of the special Fund Drive. If the branch then reviews its total commitment and begins to anticipate the next fund drive by spreading the quota over the following six-month period, it will be well on the way to eliminating the need for extra-special drives during the fund drive period.

At the 1967 convention we asked all branches to review their financial resources with the aim of raising the regular sustaining fund pledges to a standard of \$5 per month per member. Several branches have increased the amount, but current branch pledges still range from zero to \$6.46 per member with the average at \$3.19.

However, the amount of each branch's sustaining fund pledge does not give a true picture of the branch's total financial commitment to the national office. The only way to derive a fair account is to include the amount pledged during fund drives.

The enclosed chart has been drawn up to give the party organizers a better understanding of the overall financial picture and to give them a chance to properly evaluate their branch's performance as compared to the norm.

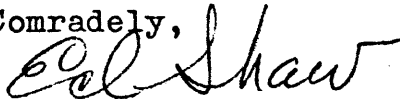
The problem of raising regular monthly sustaining fund pledges without taking into account the more or less established fund drive quotas is shown most acutely by the figures for Los Angeles. The L.A. branch has maintained a very low per capita sustaining fund of only \$1.67 per month, but the branch has always accepted a relatively high fund drive quota which brought its per capita commitment for last year to \$13.47 -- second only to that of Chicago.

The last column in the chart is based on the assumption that each branch will accept the suggested quota for the current Fund Drive though not all have done so yet.

Over the past period the party's national budget has risen more rapidly than income. This deficit has been brought into balance by special contributions in the form of unexpected windfalls. We cannot be placed in the position of relying on some unexpected contribution to balance the budget. Nor, should we take the chance that the failure of windfalls to materialize, will force us to make a sudden drastic curtailment in one or another department.

The present total monthly per capita pledge by branch (including fund drive payments) ranges from \$5.56 to \$18.28. The goal toward which each branch should strive, and which would keep us on firm ground, is \$15.00 per month per member.

Comradely,



Ed Shaw

Organization Secretary

ALL FIGURES REPRESENT AVERAGE MONTHLY PAYMENT PER MEMBER

<u>Branch</u>	<u>**1967 Fund Drives (Spring and Fall Total)</u>	<u>1968 Spring Fund Drive (Covers First 6 Months)</u>	<u>Current Branch Monthly Sustain- ing Fund Pledge</u>	<u>Current Total (1968 Spring Fund plus Sus- taining Fund)</u>
Boston	5.80	8.56	1.90	10.46
*Chicago	8.87	11.82	6.46	18.28
*Cleveland	5.91	9.68	4.83	14.51
Detroit	6.99	9.68	5.00	14.68
Los Angeles	11.80	13.05	1.67	14.72
Newark	1.85	7.40	----	7.40
New York	9.06	10.35	4.27	14.62
*Oakland/Berkeley	6.57	8.59	4.55	13.14
Philadelphia	5.39	9.80	2.94	12.74
San Francisco	5.88	8.33	1.76	10.09
San Diego	4.17	8.38	1.86	10.24
Seattle	4.63	5.56	----	5.56
Twin Cities	5.26	7.90	2.10	10.00
***National Average	<u>7.55</u>	<u>9.81</u>	<u>3.19</u>	<u>13.00</u>

\* Branches which combine Fund Drive Quotas and Sustaining Fund Pledge and pay both on regular monthly basis throughout the year.

\*\* Based on current membership, therefore will be inexact where current membership is above or below 1967 average membership.

\*\*\* National average is not derived directly from branch average column but from total N.O. monthly income and total party membership.