

## Philippines Foundation Report

When we set up the foundation in 1986, my brother, Fr. Dr. Karl Philberth and I called it the Philippines Foundation (PhF). About  $\frac{3}{4}$  of today's capital was contributed by us. Soon after its inauguration, the administration and allocation of funds of the PhF was taken over by the "MBS" (Missionary Benedictine Sisters, in Manila, who established the PhF Foundation Committee. The capital was transferred to the "SVD", Societas Verbum Divini. Together with the SVD we increased the capital through wise investments. Nowadays,  $\frac{3}{4}$  of the capital is the property of the SVD for special purposes and  $\frac{1}{4}$  belongs to the MBS. We only act as advisers and do the administrative work relating to the trusteeship. The MBS and students increasingly refer to the PhF as "Philberth Foundation".

The PhF enables the poor to gain a college education. This is a most effective means of aid with benefits reaching far into the future. The PhF supports only the education for professions in demand, like engineers, economists, physicians, managers, etc. The PhF Committee – under the chairmanship of the prioress and the procurator – general – selects the candidates for scholarships. The only criteria are need and worthiness. Once a scholarship has been approved, the beneficiary is free to choose the school and vocation. The choice of the priestly vocation offers neither advantages nor disadvantages.

The MBS/Manila was founded by the mother house in Tutzing, Bavaria, 100 years ago. Through their service as nurses and primary school teachers the sisters are acquainted with families going back to the time of their great – grandfathers. This guards against wrong choices. Each student has a carefully kept personal file for control purposes and to optimize aid.

For a number of years now the capital has been invested solely in capital index bonds with the Reserve Bank of Australia, which supports the PhF in a singular manner. These bonds increase at the CPI (inflation) rate so that the interest of 4% is able to support the same number of future scholarships. However this covers only  $\frac{1}{4}$  of the overall costs. Therefore, each year a further sum of A\$ 40.000 needs to be raised. Some of this we contribute ourselves; once, through the sale of our house, and, regularly, from the public service pension of our mother (aged 101), the sale of books, and lecture fees. On top of this, the PhF needs generous donations. Donors are always welcome to obtain information directly from the PhF Committee.

Apart from the high school education, an ongoing number of 240 college scholarships need funding. It is difficult to reduce the PhF volume. To do so would mean the dwindling of new scholarships, as a college education is guaranteed. The conclusion of a college education, as a rule, saves a whole family from ruin.

The PhF is unusually effective. The initially donated money \*by us and W.D) has increased several times over and benefited and still benefits those needing an education. To achieve this, financial and organizational skills are required, as well as top level

relations with banks and bureaucracies, familiarity with families and their society, recognition of needs and priorities, knowledge of the economy and politics.

Unfortunately, all these factors rarely converge. Through our research involving church and state bureaucracies, high schools and colleges, personal contacts at slum and top levels, we were able to optimize the following seven dimensions:

1. Concept
2. Trustees
3. Purpose
4. Scale
5. Effectiveness
6. System
7. Control

System and control of the PhF have been discussed world-wide and have become normative. A four hour visit by Prof. Walter Uhlenbruch at the PhF committee in Manila some years ago resulted in a recommendation by the German ambassador to the Deutsche Bank in Manila, which is now carrying out all transaction of the PhF free of charge. Previous enormous difficulties with other banks gave way to perfect handling. In the meantime, Prof Uhlenbruch paid another two hour visit to the Committee.

The primary aim of the PhF is the fulfillment of donor intentions. By far the largest donation is still invested in RBA bonds as originally organized by the donor himself (W.D). The interest from his bonds, the value of which rises with inflation, keeps financing eight scholarships. Other large and all small donations were paid directly to the PhF via DB/Manila. They come from industrialists (W.B, K.E, M.R) and private donors in Germany, Switzerland and Australia. Some very generous donations (W.D., K.W., G.O) come from the German speaking Catholic parish in Camberwell, Vic. Australia.

May God richly bless all those who support this fruitful work.

Bernhard Philberth