

## **PRAASA 2019 Treasurers' Roundtable 3/1/19**

Sharron S (05) Contributions Treasurer, Brian P (05) Accounts Treasurer, Ruben R (06) Treasurer, Jorge O (06) District 20 Treasurer, Monty C (08) Chairperson, Joshua H (08) Finance Chair, Paul G (08) Finance Committee, Jose A (09) Accounts Receivable Treasurer, Rich (09) Accounts Payable Treasurer, Claudia B (42) Treasurer, Laura J (42) Alt Treasurer, Michelle H (42) Finance Chair, Courtney S (72) Alt Treasurer, Eddy M (72) Webmaster & Ad-Hoc Committee Chair (for Funding trusted servants to events), Frank M (72) Treasurer, Bud W (72), Sue D (93) Treasurer

### **Topics (combined)**

1. Changes in tax and banking laws, DBA (doing business as) names, insurance requirements, how to get bank accounts
2. How do you project budgets? What does your area do to fund people to national AA conferences and workshops?
3. General comments/advice about “fundraising”?

### **Topic #1: Changes in tax and banking laws, DBA (doing business as) names, insurance requirements, how to get bank accounts**

Claudia - Everything was going as it's been for years, they had an EIN, 501(c)3, checking & savings accounts with Wells Fargo. Suddenly, they received a formal letter from the bank explaining that the bank needed to be more strict. Their account had the name “Nevada State Assembly of Alcoholics Anonymous” but they were cashing checks made out to “Area 42”. Even though they were able to do this for years and years, they had to stop. They had to meet at Clark Co. office and do a pretty easy procedure that cost \$20 to do a fictitious business name thing (?) and now they are all set with a DBA (doing business as) “Area 42”.

Rich - They got an email from a bank saying that a District wanted to use the Area's Tax ID number to open an account. Question to group: what do districts in your area do to open bank accounts?

Josh - A lot of districts and groups who have had EINs for a long time who haven't kept up with the filing requirements have been having trouble lately. Maybe current technology has made it easier for the government to audit these types of things. Has heard it costs \$800 to reinstate an EIN. Rotation of trusted servants every 6 months also presents problems of lack of continuity and dropping the ball. Has heard that as long as the group/district doesn't take in more than \$5000 through their account annually, that it is not a problem. Some have also been able to avoid the issue by paying a \$13 (monthly?) bank fee.

Eddy - Groups/districts in his area are able to open “club accounts” at credit unions, and they don't cost a lot of money

Sharron - Highly recommends separating personal accounts from group/district funds. She's had experience in her combined districts and YPAA with bank notifying and freezing funds in accounts because they took in more than \$5000 annually.

Frank - Consistency is very important and lack of it is what causes some of these issues. Business name on Tax ID and business name on bank accounts need to match, or it will cause problems. Small banks might not have as much scrutiny as larger banks such as Wells Fargo, who is under microscope for recent issues. 501(c)3 is a separate and different process than getting a Tax ID, and is not required for opening bank accounts.

Ruben - To open a bank account, they've had to get a Tax ID, then have the same signers on the accounts for 2 years, and then after that, they could transfer it to other signers.

Brian - Had experience when he was Alt DCM. Their district lost their bank account. The bank did not disclose the reason. They had to get a new EIN to open an account. Pointed out that different states have different requirements. The EIN process was easy, but having one required that they register with state to be a tax-exempt organization. The filing requirements for this was much more work, requiring the district to develop bylaws, figure out organization's start date, etc.

Paul - For changing signers to bank account, they needed minutes from the elections showing the new signers were elected, and for old signer and new signers to be present. Needed to prove that the change they were making agreed with what the organization decided.

Laura - The problem might be caused by anonymity - not wanting to put "Alcoholics Anonymous" on bank accounts trying to stay anonymous. Might have to let anonymity go sometimes for legal requirements.

Claudia - Their area has binder with guidelines that spell out in detail what they need to do with the state to maintain legal status

Brian - It's important for AA members who contribute by writing checks that they are able to write them to organizations and stay anonymous, so rather than their tax accountant or other people seeing "Alcoholics Anonymous" on check copies, they could see something like "District 3 of SCAA" instead.

## **Topic #2: How do you project budgets? What does your area do to fund people to national AA conferences and workshops?**

Eddy - Background: Their area has elected positions (officers) and appointed positions. Officers have discretionary funds that they can use to attend national conferences and workshops, or other events like PRAASA. Appointed positions don't. Last year, they sent 2 appointed positions to workshops: Archives and Webmaster. Now, some other positions asked Finance Committee for funds to attend other national workshops and conferences, like PI and Corrections. The Finance committee felt it wasn't their job to figure it all out and decide who gets to go and who doesn't. They formed an ad-hoc committee to figure out a way to decide.

Courtney - Clarification: They have 11 appointed committee members. Question to group: In your area, who decides who gets to go and how is it done?

Sue - They have budget meetings to decide their budget. If people want to ask for funds to attend something, they go to the meeting and ask for it. Then they have line items in the budget for the workshop or conference. For instance, they have a line item for PRAASA. The budget gets approved by the assembly. For things not in the budget, people can make an expense request at an Area Assembly that needs to be seconded by the finance committee. Then, the area can vote on whether to approve the funds. They usually do if the area can afford it. They also usually take turns, e.g. if CPC went last year, they let another committee go this year.

Rich - He is a treasurer now but has also served as Finance Committee Chair. In Area 9, there's liaisons to other committees in the Finance Committee who can make budget requests for their committee. Because there are new people who don't know, or others too shy to ask, they decided to put a minimum of \$400 in each committee's budget. They encourage the committees to ask for funds to do things. They have a prudent reserve. They encourage participation because with more participation, more money comes. If we're doing good things, money comes in. Final approval for spending funds comes from the assembly.

Joshua - Budgeting process mirrors what Rich described. Their budget this year is \$59K while they projected to bring in \$55K. The area decided to trust God for the difference. They have line items for conferences. People request funds for these things and then go to districts and groups to ask for their approval. They usually get approved, but lately, groups have been asking what they've been getting in return. He's been thinking of at least asking for a "trip report" - paragraph answering the questions: where did you go? What did you learn? What did you spend? Etc. The fellowship hasn't fallen short with providing them with funds, but they've fallen short on following up after attending the events.

Claudia - Committees request budget which includes conferences. Budget gets approved as a whole, not line by line. Communicating back to area from conferences is a good thing. They had excess PRAASA funds last year; funds were allocated to fund people to PRAASA but some went unused.

Michelle - They passed motion to send more positions (DCM coordinator? & ?) and GSRs to PRAASA with excess funds from last year. In the past, she served as an officer and DCM in Area 08. There she learned that election assemblies are great places for people to report back from attending workshops and conferences during dead time while ballots are being counted.

Brian - They have same process described by Sue, probably because it was established before Area 5 split into Areas 5 and 93. They have a very negative budget (\$75K budgeted, \$46K projected income) but have somehow managed like this for a long time. Last year, sent a lot of people out to conferences and workshops - 1 or 2 to archives, 1 to NAATW, 2 to corrections. This year, they can't afford to send everyone who wants to go somewhere. Their system might be breaking down the more active the area gets. Also need a way to decide who gets to go and would be interested in learning if Area 72 comes up with something.

Sharron - She's blogged about events on website to report back from events. Accountability is very important, giving details on the event, including what was spent, etc. If there is a high level of accountability and money gets tight, people better adjust their behavior.

Joshua - they do have people give oral presentations on their trips, but written reports or blog is good. Consistency year over year is important. Regardless of whether \$800 is spent to attend workshop one year by someone and then \$1000 is spent the next year by someone else to attend the same workshop, they try to budget the same amount year over year. They have a budget request form. They did a workshop for committee chairs on how to request budgets. Suggests District and Group Treasurers' workshops to talk about EINs, bank accounts, etc.

Courtney - Question to group: How many people in the room were fully funded to attend this PRAASA? (about half raised their hand)

Laura - Many people in her area were underfunded to this year's PRAASA. Standing Committee chairs only got a certain amount. It was not adequately adjusted from last year's PRAASA. PRAASA expenses are tricky because the event moves around and there is variation in travel expenses.

Eddy - Question to group - If we set a dollar amount to reimburse that does not cover full funding, does it set an expectation that people will need to pay out of their own pockets in order to serve, and does this cut certain people out of service? He is fortunate enough to be able to fund himself these days, but 5 years ago this wasn't the case.

Michelle - Institutional memory - in a lot of levels of service, we don't pass along institutional memory (group, district, area) In Area 08 under Joel C, she learned the importance of institutional memory. Once, she didn't want her mileage reimbursement but was taught that she should in order to keep precedent for next chair who might live somewhere else in the Area and would need it. In Area 42, a lot of institutional memory has been lost. Advice to group: when you rotate, pass along institutional memory.

Monty - As Area Chair, he is not fully funded to be at PRAASA. It is tradition for the Area Chair to split his/her funding with the Alt Chair. Has always gotten partially funded to PRAASA except for Utah, where he paid his own way but still had an extremely rewarding experience. He makes discussion about PRAASA part of the meeting so that it is recorded in the minutes and then the minutes are accessible to members, and they can be aware of what their contributions were used for.

Frank - Question for group: Does your area send excess funds to GSO? Area 08 & 72 - yes

Eddy - In recent years, contributions to GSO have been getting high in his area - around \$10K

### **Topic #3: General Comments / Advice About Fundraising**

Courtney - As Alt Treasurer for 72, she deals with Accts Payables. Her area does 7th tradition workshops at districts and groups. They have seen contributions increase ever since they've been doing these presentations. It has worked well these past few years.

Eddy - They've added multiple ways to contribute, like online contributions through the website

Monty - Asked what technologies are used

Eddy - Square & Stripe

Sharron - what technology is easier to use depends on website platform. Different services are easier to integrate with certain platforms. In her combined districts, she has set up Venmo and online contributions

Joshua - Every year, the finance committee makes budget presentation to every district. Every district, every year, emphasizing it is their budget, not ours. They can make changes. They talk about the 7th tradition and how it's spent. What do they need?

Rich - "Fundraising" (the term) is a turn-off to him, and the term is not in line with normal AA language. Harbor Area H & I raises over \$15K with their chili cook-off. Should ask ourselves - Are we fulfilling our primary purpose and responsibility pledge? Their Spanish Speakers needed new interpretation equipment. They got pricing for high quality equipment but did not submit the budget for it, so the budget was short. The area approved \$8K to purchase the equipment, then contributions took a dip, and they got into their prudent reserve and was almost at a point where they couldn't pay the bills. Groups responded and \$30K came in over 2 weeks. The need was legitimate and then money came. Do good things and money will follow.

Claudia - AA has a Guidelines info sheet on Special events. It suggests that we can do anything we want - picnics, retreats, gratitude balls. We can do it all as long as it's only AA members contributing, and then we can redistribute the money to any level of AA.

In Love and Service,  
En Amor y Servicio,

**Brian P.**

Area 05 Accounts Treasurer  
Área 05 Tesorero de Cuentas