

## FINANCE COMMITTEE REPORT – AUGUST 2020

In the past month the members of the Finance Committee met twice per week for a total of 8 times and worked on the following projects and tasks.

1. The committee was joined by O&S to review the financials that were delayed from the week of the monthly teleconference. The financials were accepted by the committee and the treasurer posted them to the [acaawso.org](http://acaawso.org) website along with a written treasurer's report. – **Completed**
2. A discussion on hiring a controller and reducing outside accounting services was discussed and forwarded to the board. The board asked for a formal job description and an outline of the reduced monthly fees from the accountants if a controller were hired. A job posting was created and approved by the board. - **Completed**
3. The committee is now working on the reconciliation and internal controls portions of the inventory project. The unneeded items have been made inactive in Quickbooks using the Inventory SKU Addition / Removal Form. The accountants will be delivering the internal controls processes needed to maintain the inventory accurately sometime in August and that will complete the project– **In Process**
4. The committee has created a Financial Controller job description and will be forwarding to the board with a cost benefit analysis from the accountants on estimated savings of monthly accounting costs by hiring an in-house controller. - **Completed**
5. The Sales Tax project is ending with the last state's (NJ) payment for back taxes approved by the board this month. We are collecting and remitting sales taxes in all the required states and have enrolled all eligible states in the autofile system. This will save countless hours of the accountant's time manually filing the returns. Many thanks to Carol and Lucia for their invaluable service on this project. The money saved by doing this project without consultants essentially paid for all the back taxes owed. – **Completed!!**
6. The committee completed its work on revising the "Where the Money Goes" flyer and forwarded their recommendation to the full board. This recommendation was approved unanimously by the Finance Committee. The modification was sent to the board along with the flyer in two drafts, one before the recommendation and one revised showing the recommendation. The committee prepared a board motion that said "To replace the prior ACAWSO Board motion recommending contributions above prudent reserves of 60% to local IG, 30% share to regions and 10% share to WSO for contributions with one that says 60% to local IG, 30% to WSO, and 10% to region. If no IG exists then 60% to WSO and 40% to region".

Reasoning for this recommendation is WSO has the lion share of expenses for ACA service throughout our structure and our 7th Tradition contributions do not begin to cover this work. We rely for 90% of income from books sales. Currently only about 10% of our revenue is from 7th Tradition contributions.

It was also noted several major 12 step organizations (AA, NA, OA) offer percentage guidance supporting this formula revision. Their fellowships give a much larger share to the organizations' headquarters than the ACA fellowship does.

- AA recommends 50% to IG, 30% to GSO, and 10% each to districts and areas.
- OA recommends 60% to IGs, 30% to WSO, and 10% to regions.
- NA recommends 50% to IGs, 25% to WSO and 25% to regions.

This task has been completed and turned over to the board for further action. - **Completed**

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9. At the board's request the committee developed an RFP for the Agreed Upon Procedures style audit review and sent it out to 7 Signal Hill CPA firms. The Finance Committee received 3 proposals back and after reviewing them have turned them over to the board for review and approval. Once the board reviewed the costs they decided to postpone this item for action. – **On Hold**
10. The Finance Committee continues to compile financial policies in the creation of the first ever ACA WSO Accounting Manual. – **In Process**
11. The committee adopted a Credit Card Expense Form for logging credit card purchases made by WSO card holders so that the proper accounting code can be assigned to the expenses more efficiently. The policy for using it was also created. This was approved by both the Finance Committee and the DCOC Committee with the office staff in attendance and sent to the board. The board approved the form and it is now being used by all WSO card holders - **Completed**
12. The review of the mid-year budget to the board was performed at a special meeting with the committee's recommendations for adjustments. This was approved and implemented by the accountants into Quickbooks. – **Completed**
13. The IT Committee attended a meeting and discussed methods for creating recurring contributions and other upgrades to assist with the bookkeeping for the contributions. The IT Committee is reviewing and will come back to the Finance Committee with more information. – **In Process**
14. Bookkeeping update – The temp accounting special worker took over for regular staff who went on leave as of 8/6. There were many recommendations that evolved from this work during August. A separate report was prepared for the recommendations and forwarded to the board. - **Complete**
15. Policy needed for unbudgeted purchase approvals – working on policy for board approval. Look into Concur for managing expenses. - **In Process**
16. Anyone with finance, bookkeeping, or an interest in learning more about the Finance Committee is welcome to contact me about joining. You do not have to be a CPA or even accounting professional to participate. Please email me at [treasurer@adulthood.org](mailto:treasurer@adulthood.org) or send a message on Slack.

In service,

Bill D., Chair

Lucia S., Vice Chair

Carol G., CA - Member at large