

# AROUND THE PICNIC TABLE



**Leslie Backus**  
**Class A (nonalcoholic) Trustee**  
**General Service Board Treasurer**

# IMPROVED AUDIT RESULTS



- Completed on schedule
- Unqualified or “clean” audit opinion
- No material weaknesses
- No significant deficiencies
- Only one recommendation (compared to seven last year)

# 2020 GSO FINANCIAL HIGHLIGHTS

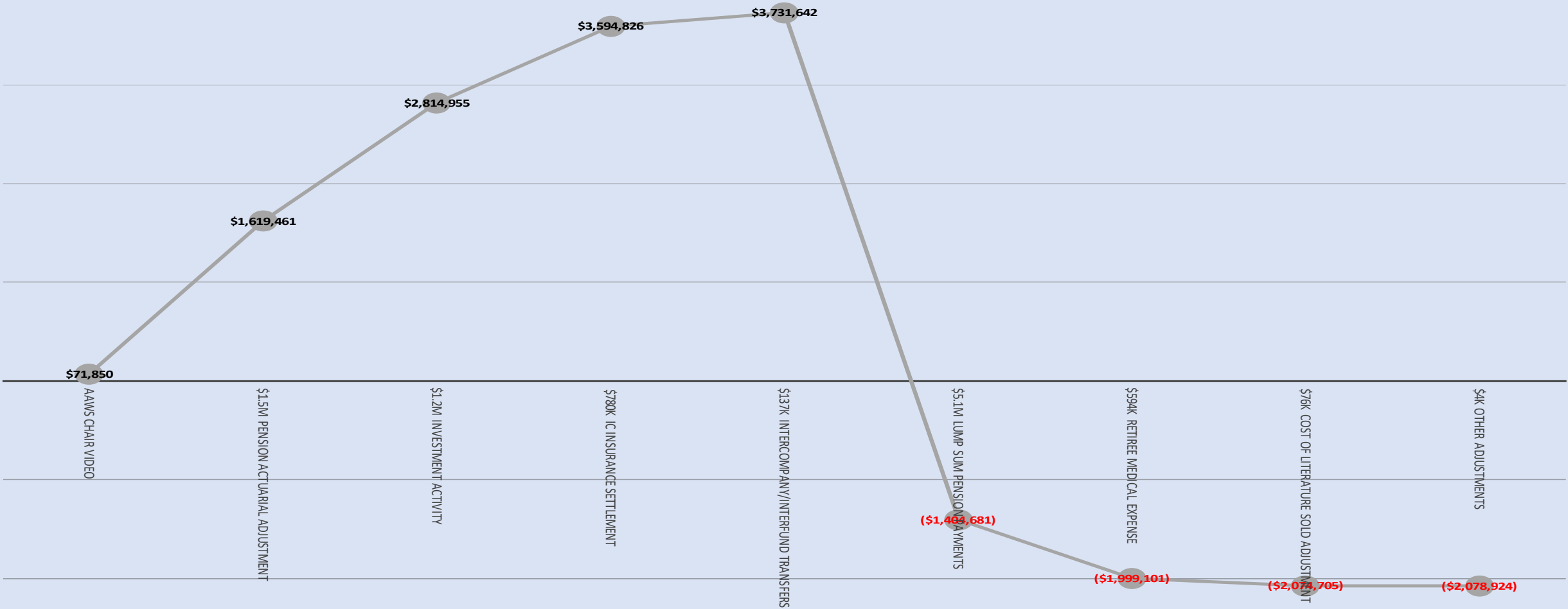
- ❖ 7<sup>th</sup> Tradition of Self-Support – \$10.26 million set another record, up 15.80% from \$8.86 million in 2019
- ❖ Cost of Services - \$10.81 million down 14.9% from \$12.70 million in 2019
- ❖ Self-Support - covered 94.9% of cost of services compared to 69.8% in 2019
- ❖ AAWS publishing gross profits – \$6.58 million down 29.70% from \$9.36 million in 2019, used to cover \$550K shortfall between 7<sup>th</sup> Tradition Contributions and Cost of Services

# SAVINGS ACHIEVED IN 2020

- ❖ Travel, Meals, and Accommodations \$1.1 M less than 2019
- ❖ Total Non-Personnel savings (including travel) \$1.5 M
- ❖ Lockbox saves 3 Full-time Equivalents (FTEs)
- ❖ Total staff savings since VRIP 5 FTEs

# THE TOTAL PICTURE

## THE PATH FROM PRELIMINARY TO FINAL



# 2020 GRAPEVINE FINANCIAL HIGHLIGHTS

- ❖ Grapevine paid print subscriptions decreased 4.5% in 2020. Subscriptions for the online and mobile app magazine increased 7.7%
- ❖ 2020 Grapevine results were a gross profit of \$1.231 M on the magazine and a gross profit of \$354,304 on other published items. Operating expenses of \$1.914 M resulted in an overall loss of \$298,699 compared to a loss of \$27,303 in 2019.
- ❖ General Fund support of La Viña service activity was \$385,771 in 2020 compared to \$297,392 in 2019.
- ❖ La Viña magazine circulation decreased by 36.6% in 2020 after several years of growth.

# 2021 GSO BUDGET

- ❖ Total revenue \$15,594,000 compared to \$16,926,318 in 2020.
  - ❖ Contributions \$9,725,000 compared to \$10,256,687 in 2020.
  - ❖ Gross literature profit \$5,639,400 compared to \$6,582,266 in 2020.
- ❖ Total operating expense \$15,652,814 compared to \$16,446,727 in 2020.
- ❖ Operating deficit of \$58,814 not including pension expenses compared to \$479,571 surplus in 2020.

# 2021 GRAPEVINE BUDGET

- ❖ Magazine circulation to decline slightly to 62,124 from 63,397 in 2020.
- ❖ Online and e-Pub circulation to increase to 5,442 from 5,175 in 2020.
- ❖ Gross profit on subscriptions \$1,133,715 compared to 1,003,700 in 2020.
- ❖ Grapevine net operating loss of \$354,225 compared to \$299,000 in 2020.
- ❖ La Viña magazine circulation to decrease to 5,605 compared to 6,435 in 2020.
- ❖ General Fund La Viña support of \$401,970 compared to \$385,771 in 2020.



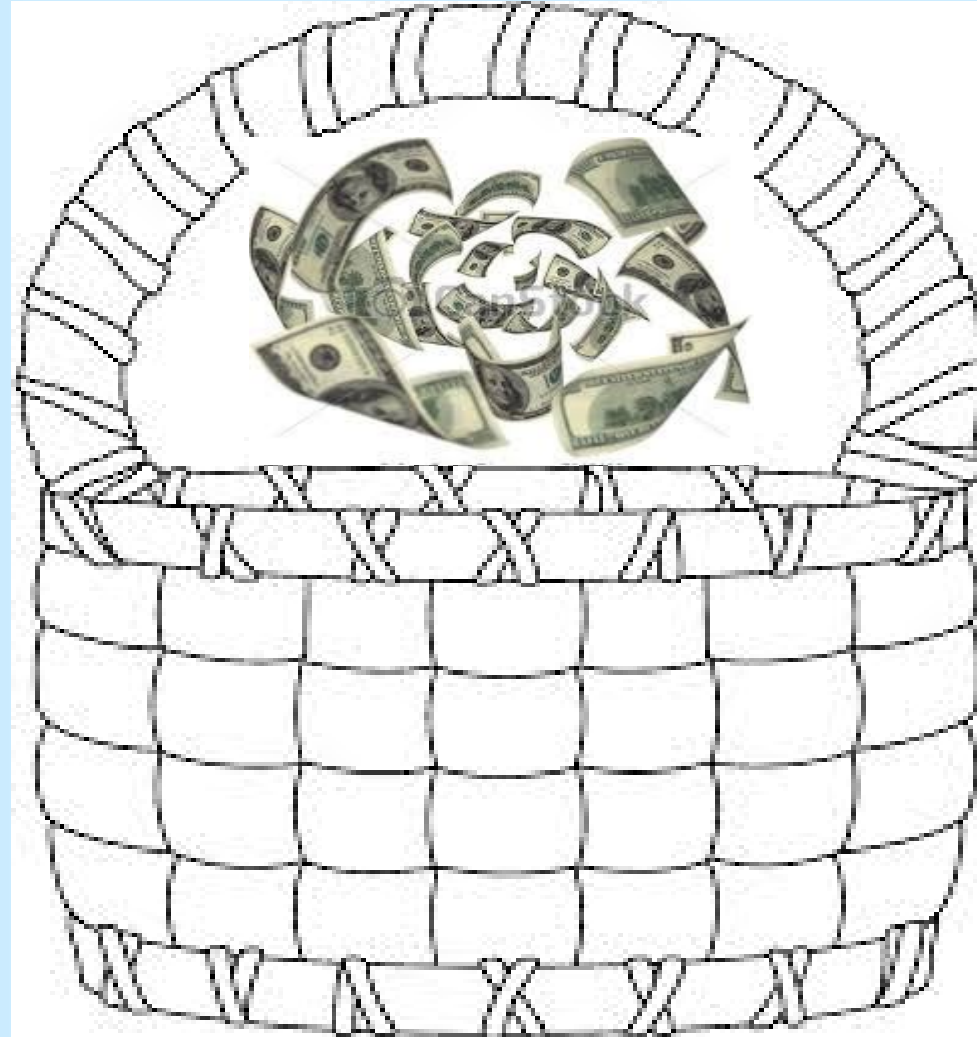
# 2020 FINANCIAL HIGHLIGHTS

Amounts in \$	2020 ACTUAL	2020 BUDGET	COMPARED TO 2020 BUDGET	2019 ACTUAL	COMPARED TO 2019 ACTUAL
<b>GENERAL SERVICE OFFICE</b>					
7 <sup>th</sup> Tradition Contributions	<b>10.26 M</b>	9.0 M	1.26 M (14.0%) increase	8.86 M	1.40 M (15.80%) increase
Literature Gross Profit	<b>6.58 M</b>	9.8 M	3.22 M (32.9%) decrease	9.36 M	2.78 M (29.70%) decrease
Net Income	<b>(2.1) M</b>	1.0 K	2.1 M decrease	(0.3) M	1.8 M decrease
<b>GRAPEVINE &amp; LA VIÑA</b>					
Average Circulation	<b>68,572</b>	67,802	770 increase	71,182	2,610 (3.67%) decrease
Net Income (Loss)	<b>(299 K)</b>	4.6 K	303 K decrease	(27) K	3 K (6.81%) better
General Fund support of La Viña service activity	<b>386 K</b>	317 K	69 K increase	297 K	89 K (29.96%) increase
<b>RESERVE FUND</b>					
Coverage Ratio	<b>7.9 months</b>	9.4 months	Decrease of 1.5 months (16.0%)	9.3 Months	Decrease of 1.4 months (15.1%)
M – millions; K – thousands					

# 2020 Financial Results – What Happened?

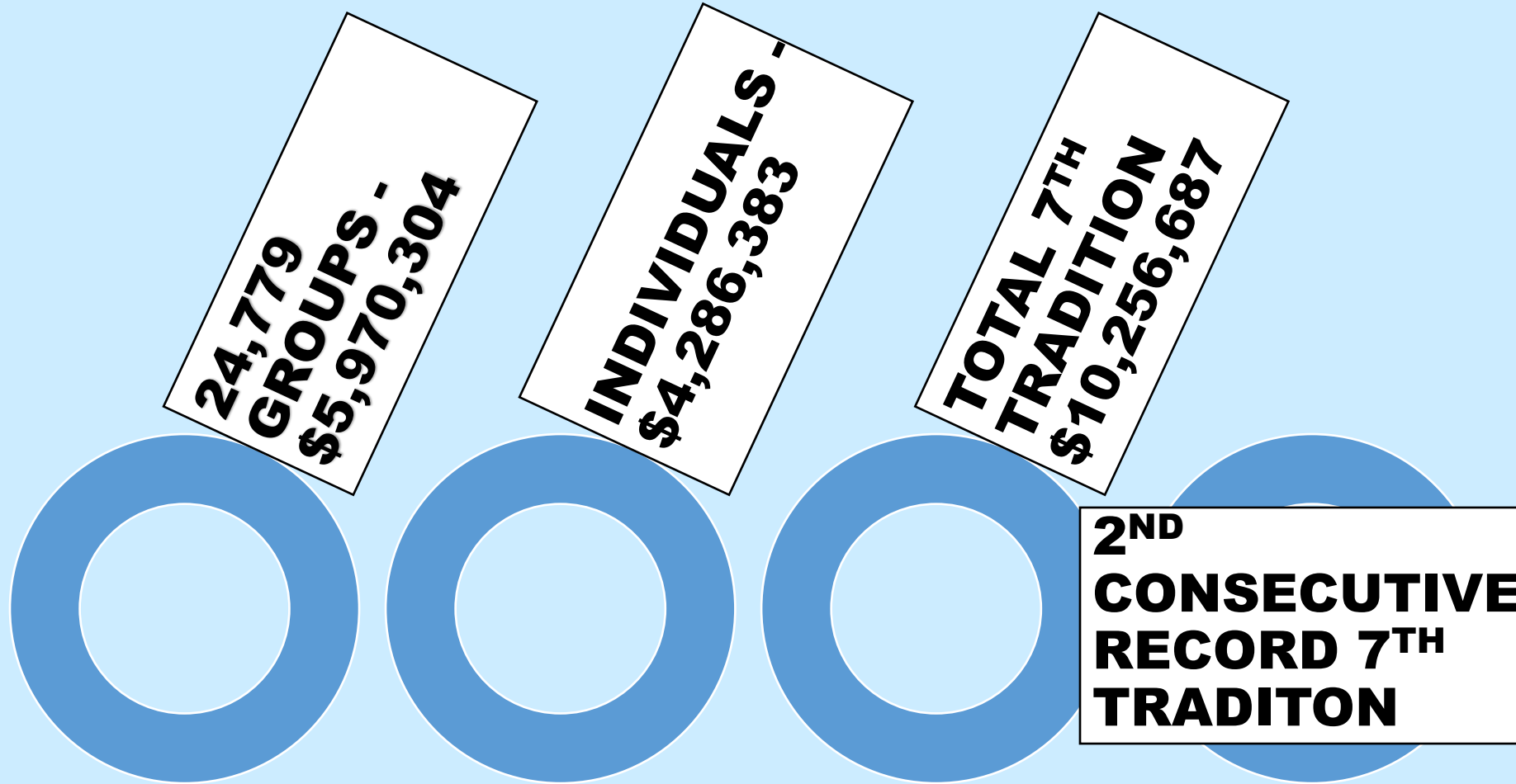
- ❖ We are grateful to the fellowship for your generous response to our 7th tradition messages which increased contributions by \$1.4 M compared to 2019.
- ❖ The pandemic caused literature gross profit to decline by \$2.78M compared to 2019.
- ❖ \$1.2 M in VRIP severance payments
- ❖ \$3.6 M in pension related expenses.
  - ❖ \$5.1 M VRIP pension payments for participants who elected a lump sum payment instead of payments spread over their lifespan. (paid from pension fund not general fund)
  - ❖ Less \$1.5M savings in the amount needed to pay expected benefits over retiree lifetimes
- ❖ Travel, meals, and accommodations decreased by \$1.1 M due to the pandemic.

# GRATITUDE



**7<sup>TH</sup> TRADITION**

# 7<sup>TH</sup> TRADITION – 2020 – \$10.26 MILLION



# IMPACT OF PANDEMIC ON 7<sup>TH</sup> TRADITION

<b>GROUP CONTRIBUTIONS</b>	<b>2020</b>	<b>2019</b>
Amount contributed by groups	\$6.0 million	\$6.9 million
Number of groups contributing	24,779	28,180
Percent of groups contributing	34.8%	40.6%
Average group contribution	\$238.95	\$245.94

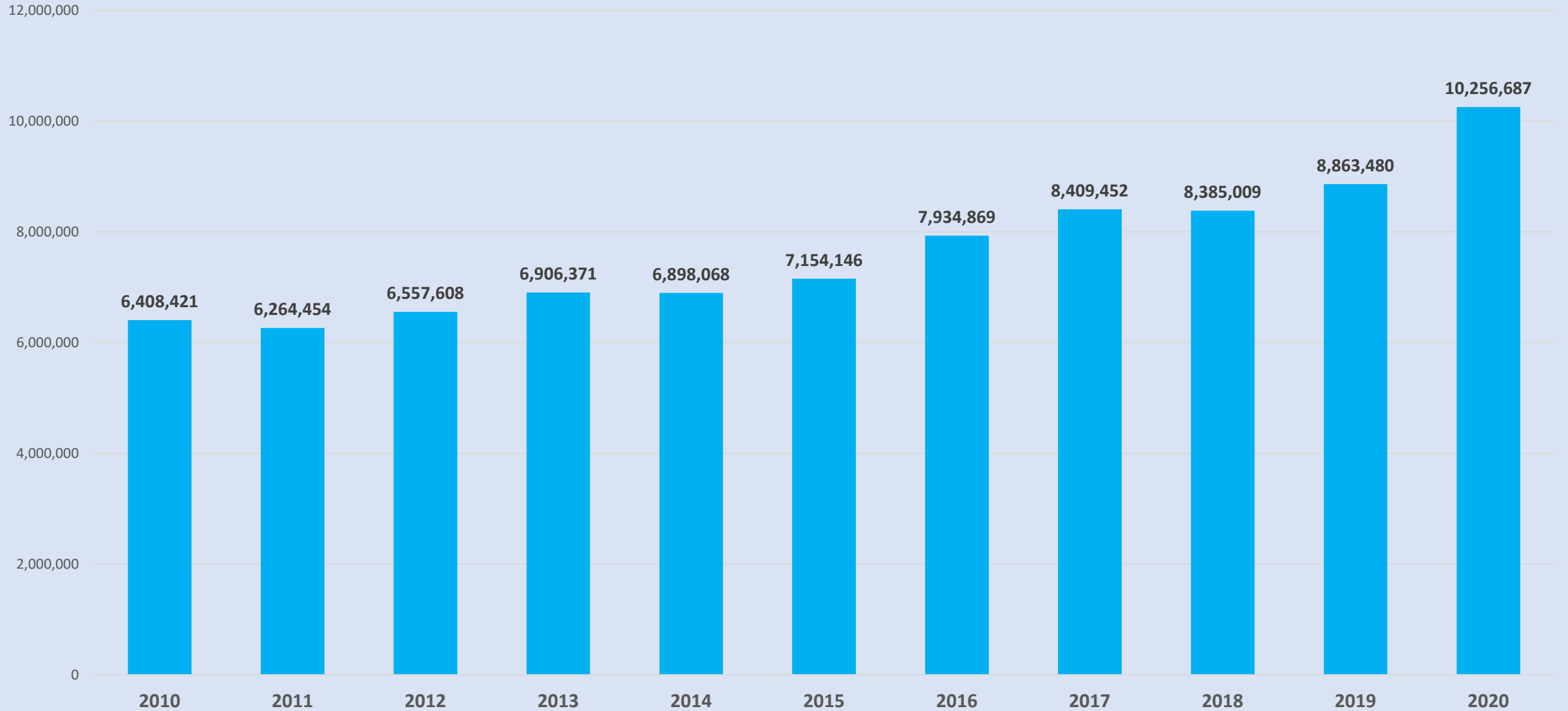
<b>INDIVIDUAL CONTRIBUTIONS</b>	<b>2020</b>	<b>2019</b>
Amount contributed by individuals	\$4.3 million	\$1.9 million
Per capita contribution	\$6.81	\$6.09

# GRATITUDE: LARGEST CONTRIBUTIONS RECEIVED IN 2020

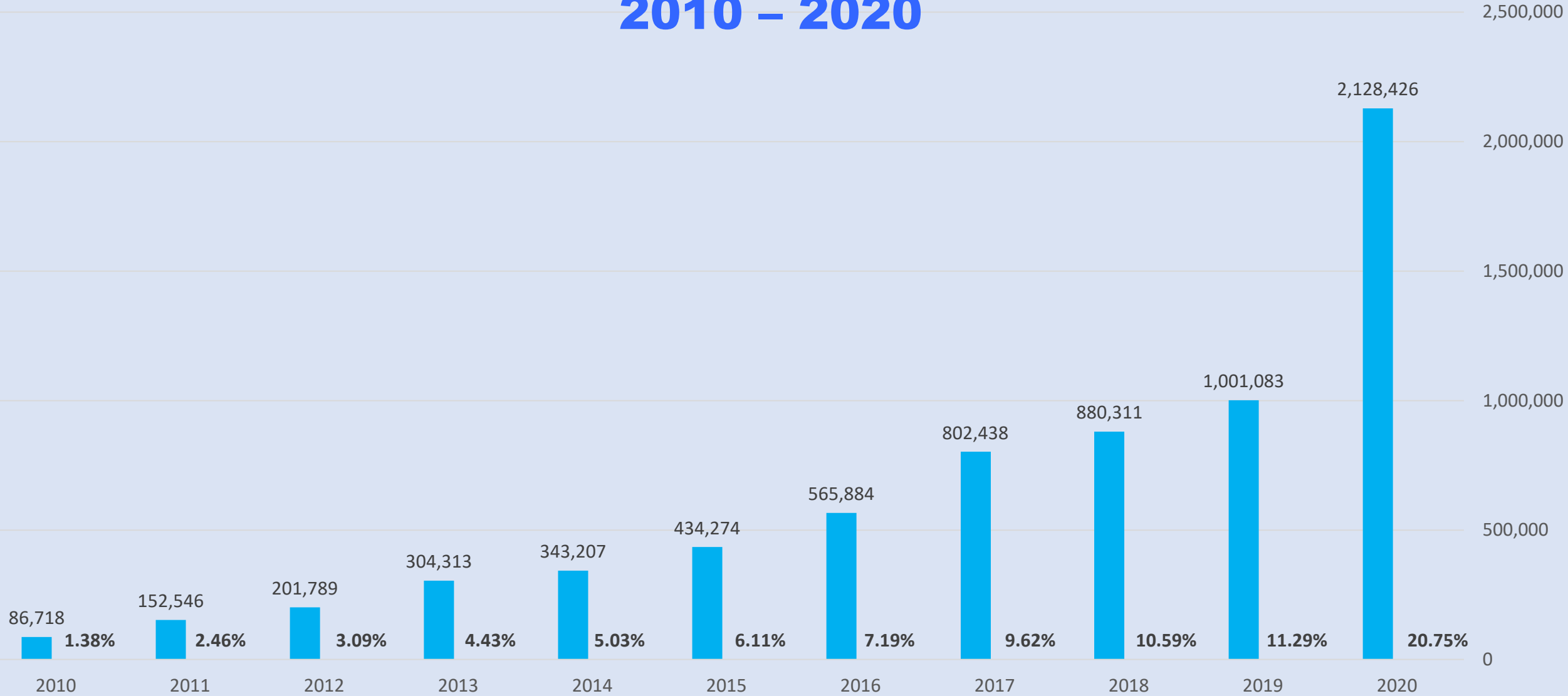
INCLUDED IN GROUP CONTRIBUTIONS	AMOUNT
District 87 – Southwest Québec Canada	\$64,116.50
District 49 – Southeast New York	\$50,000.00
District 15 – South Florida/ Bahamas/ US Virgin Islands/ Antigua	\$46,223.23
Los Angeles Central Office	\$44,000.00



# 7<sup>TH</sup> TRADITION SELF-SUPPORT – 2010 – 2020



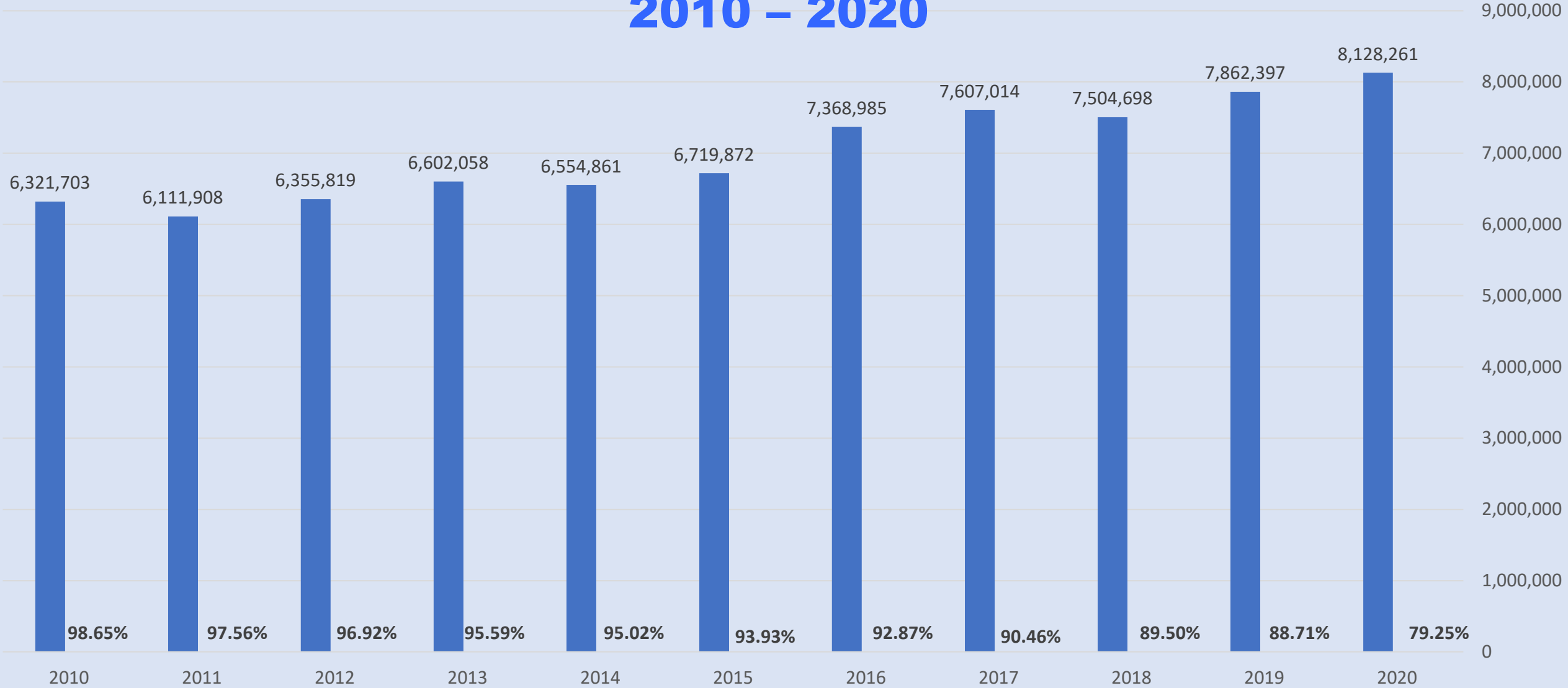
# GROWTH OF ON-LINE CONTRIBUTIONS 2010 – 2020



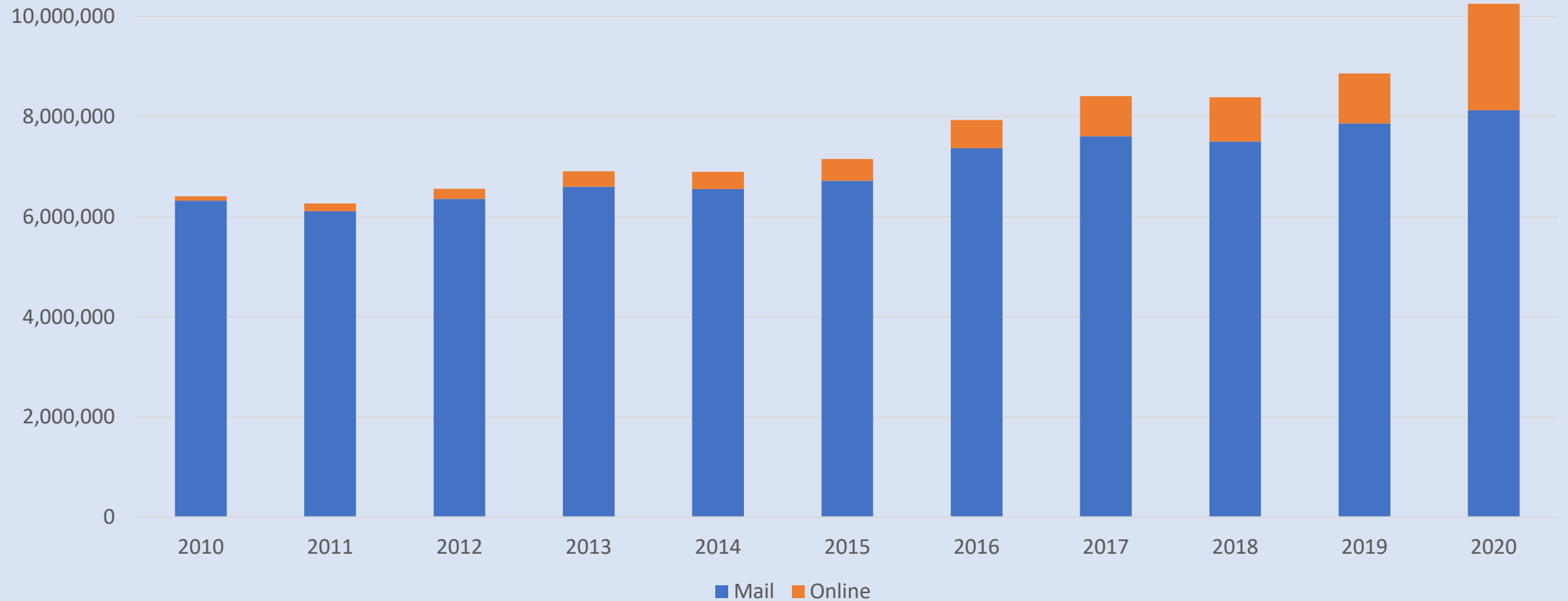


# MAIL CONTRIBUTION TREND

## 2010 – 2020

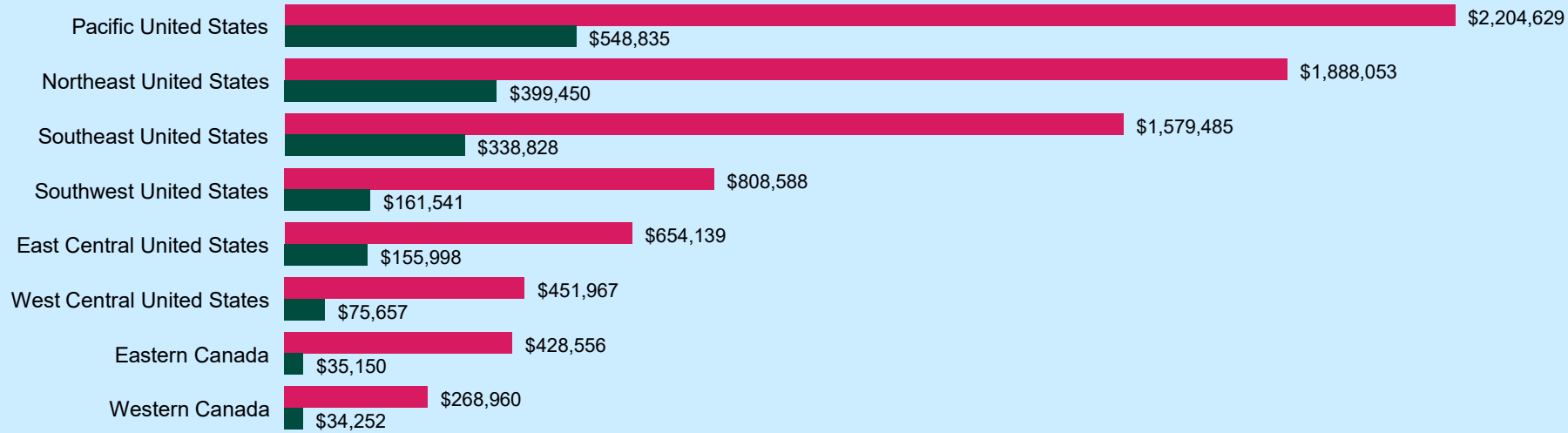


# GROWTH IN PERCENTAGE OF CONTRIBUTIONS MADE ONLINE



# 2020 CONTRIBUTIONS BY REGION

## Contribution Totals



## Contributions Per Capita

**Western Canada**  
\$9.47

**Southeast United States**  
\$9.00

**Eastern Canada**  
\$8.28

**Southwest United States**  
\$7.30

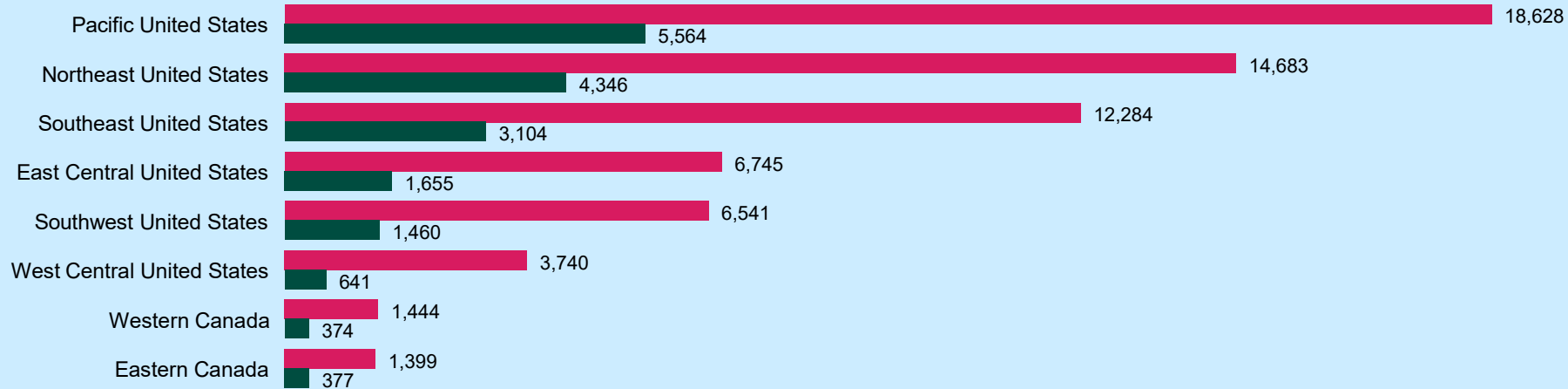
**Pacific United States**  
\$6.85

**Northeast United States**  
\$6.71

**West Central United States**  
\$6.28

**East Central United States**  
\$3.82

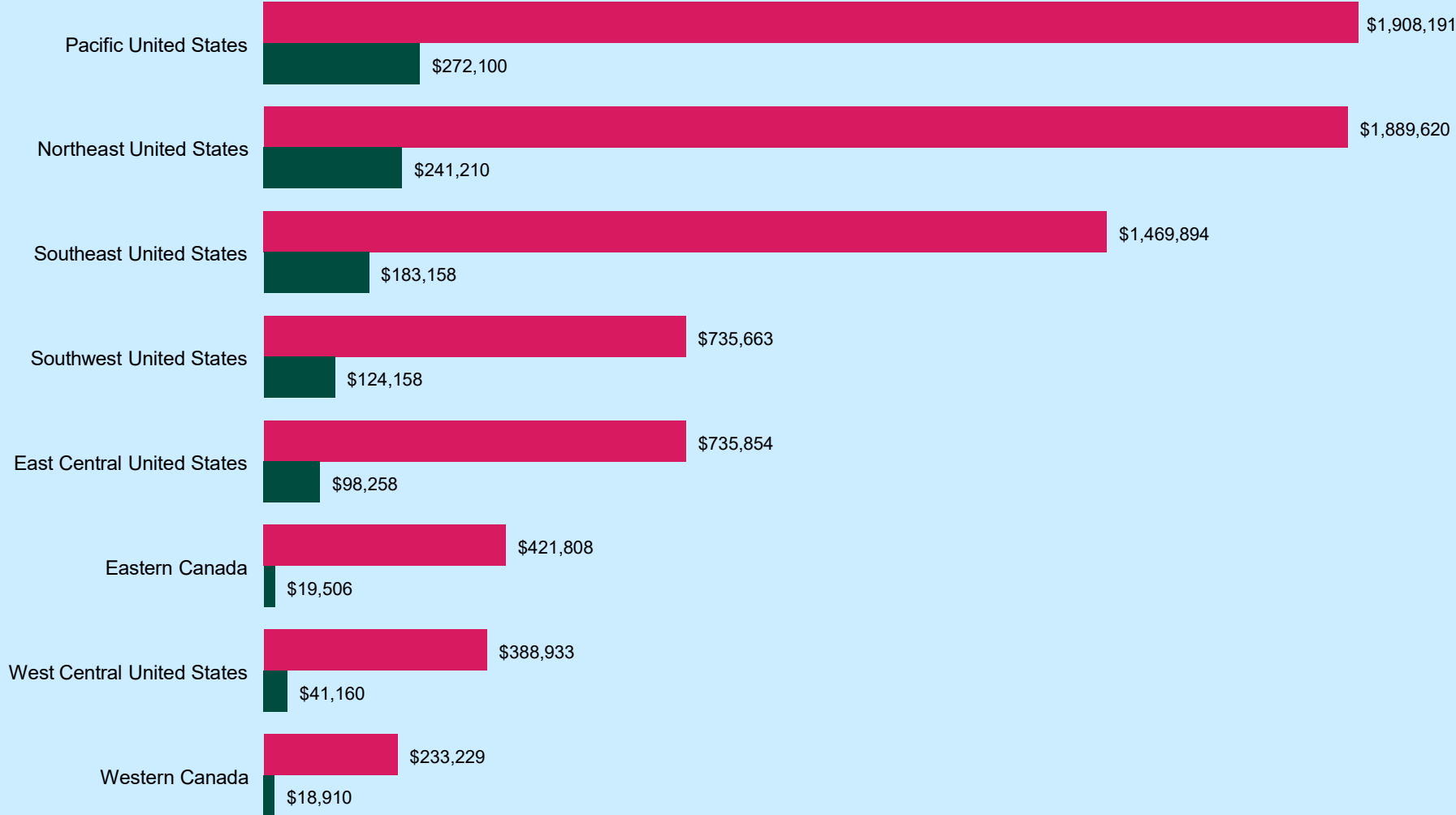
## Number of Contributions



Contribution Method ■ Mail ■ Online

# 2019 CONTRIBUTIONS BY REGION

## Contribution Totals



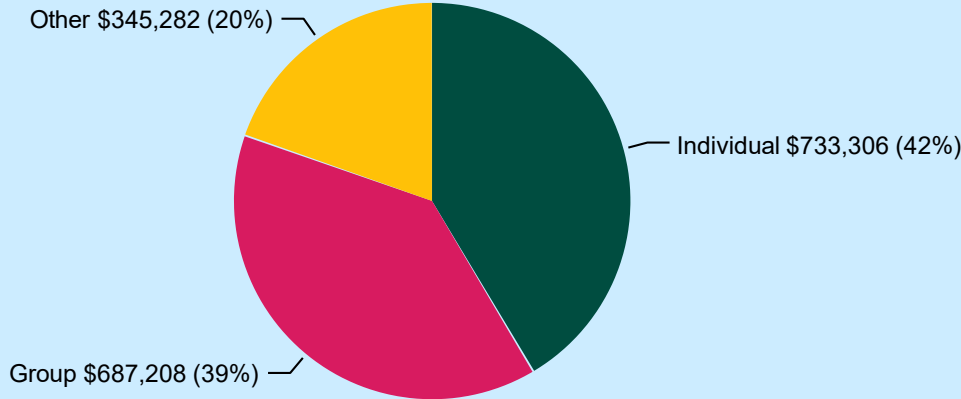
## Contributions Per Capita



Contribution Method ■ Mail ■ Online

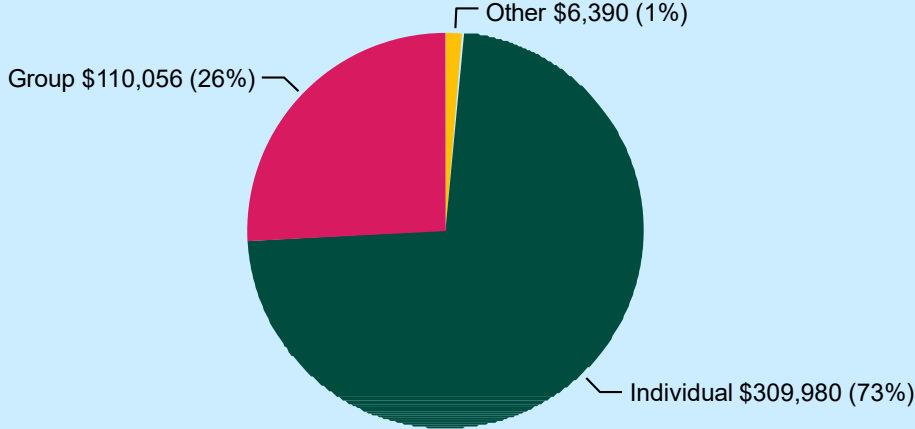
# COMPOSITION OF 2020 CONTRIBUTIONS

## Online Contributions



Total: \$1,765,795

## Birthday Contributions

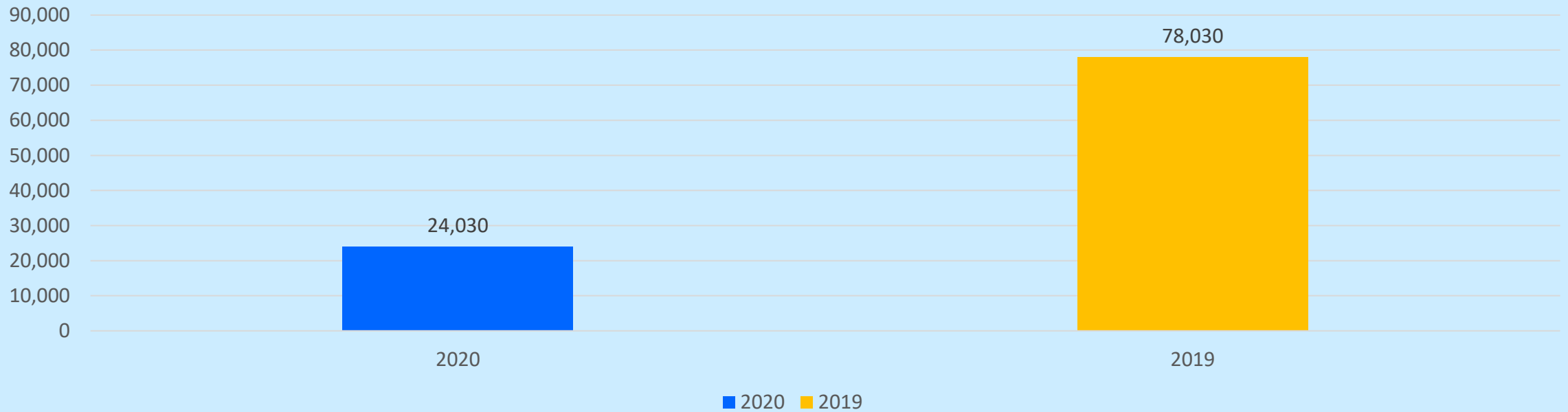


Total: \$426,426

## All Contributions Distributed by Dollar Value

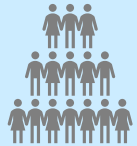


# CHALLENGE CONTRIBUTIONS



# A DOLLAR IS NOT WHAT IT USED TO BE

1935: \$1.00

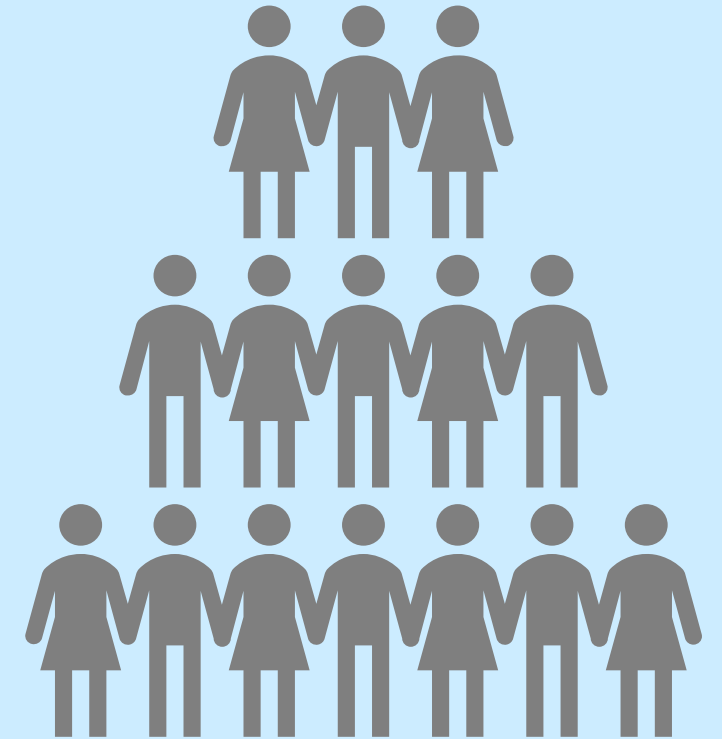


Remember inflation  
when deciding upon  
your  
7<sup>th</sup> Tradition  
Self-Support

Contributions for:

- Group Meetings
- Online Recurring Contributions
- Birthday Gifts
- November Gratitude Month

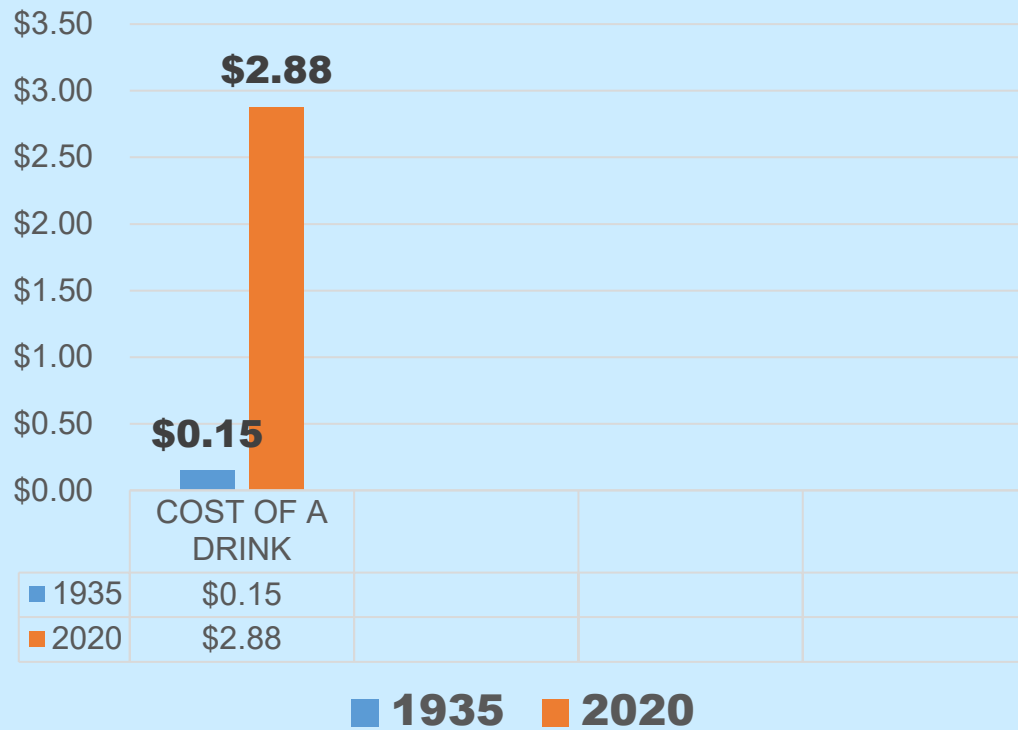
2020: \$19.18  
3.54% annual inflation



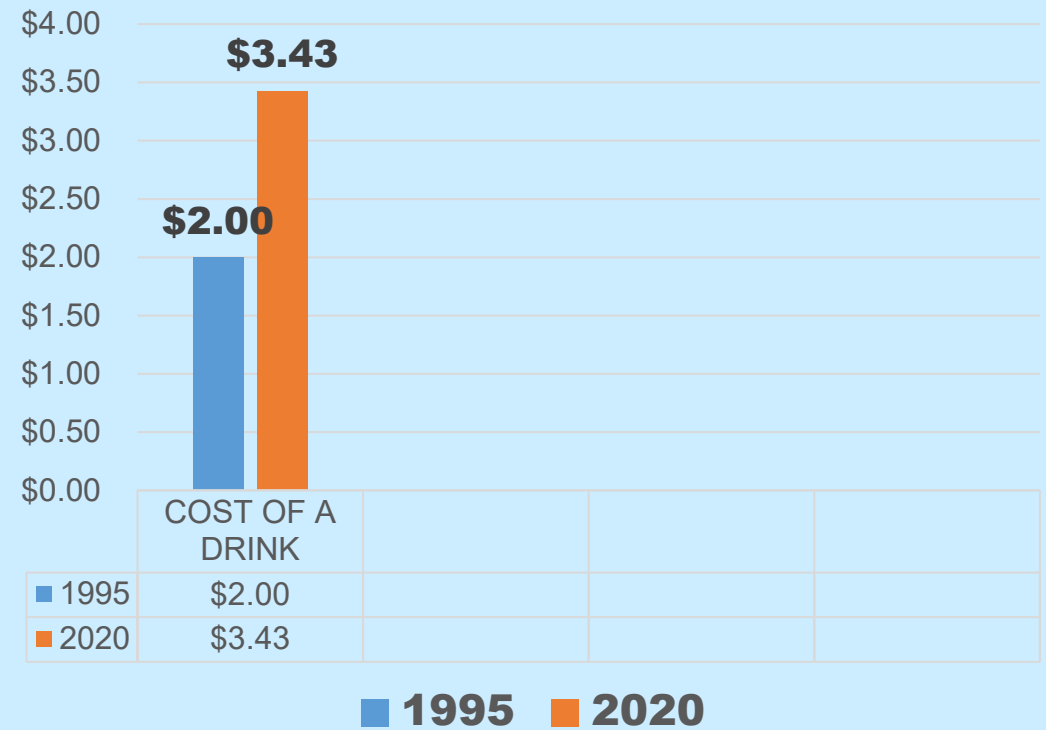
# INFLATION CALCULATOR

## COST OF A DRINK OVER TIME

### Bill W. & Dr. Bob



### Average Delegate's Sobriety – 25 Years



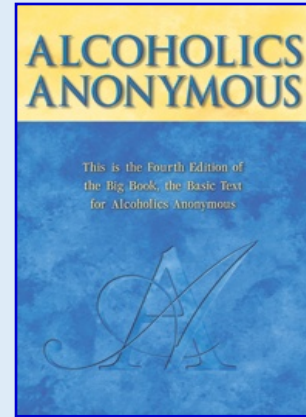
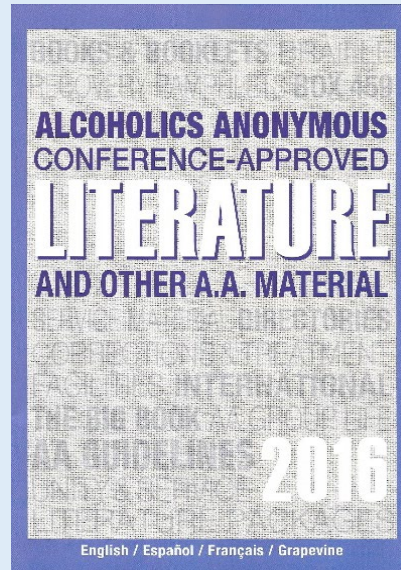


# THROUGH OUR OWN SELF-SUPPORT

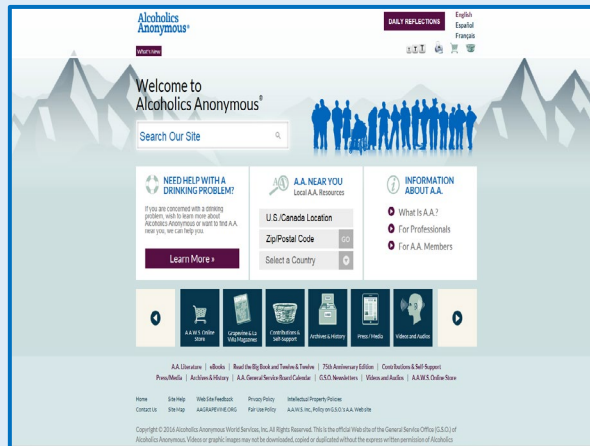


# G.S.O.'s TWO BASIC PUBLICATIONS

## • Publishing



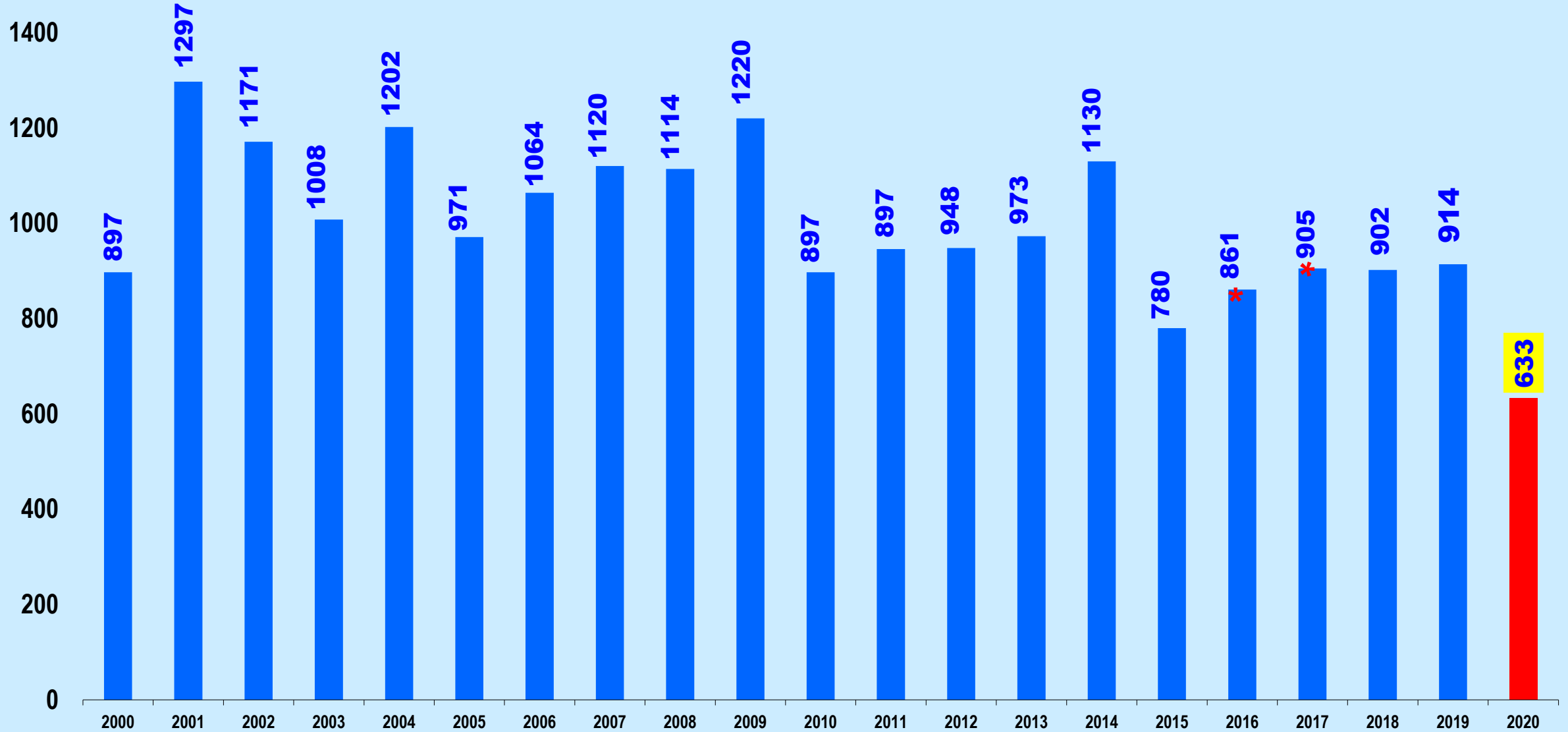
## • Services on Behalf of the G.S.B.



# AAWS – PUBLISHING – 2020 ACTUAL vs 2020 BUDGET


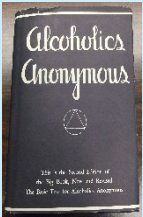
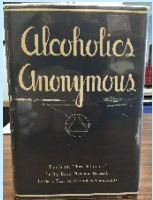
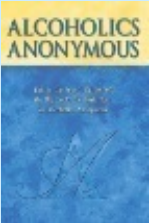
<b>\$ in Thousands</b>	<b>2020 ACTUAL</b>	<b>2020 BUDGET</b>	<b>INCREASE (DECREASE)</b>
<b>Gross Sales – Literature</b>	9,098	14,750	(5,652)
<b>Discounts</b>	(275)	(200)	75
<b>Net Sales - Literature</b>	8,823	14,550	(5,727)
<b>Cost of Literature Sold - Printing</b>	1,609	2,750	(1,141)
<b>Direct Shipping and Warehousing</b>	<u>633</u>	<u>2,000</u>	<u>(1,367)</u>
<b>Gross Profit</b>	6,582	9,800	(3,218)
<b>Gross Profit Percentage</b>	72.3%	67.4%	4.9%

# BIG BOOK - UNITS SOLD (thousands) - 2000- 2020



\* Excludes 75<sup>th</sup> Anniversary Edition

# BIG BOOK PRICING

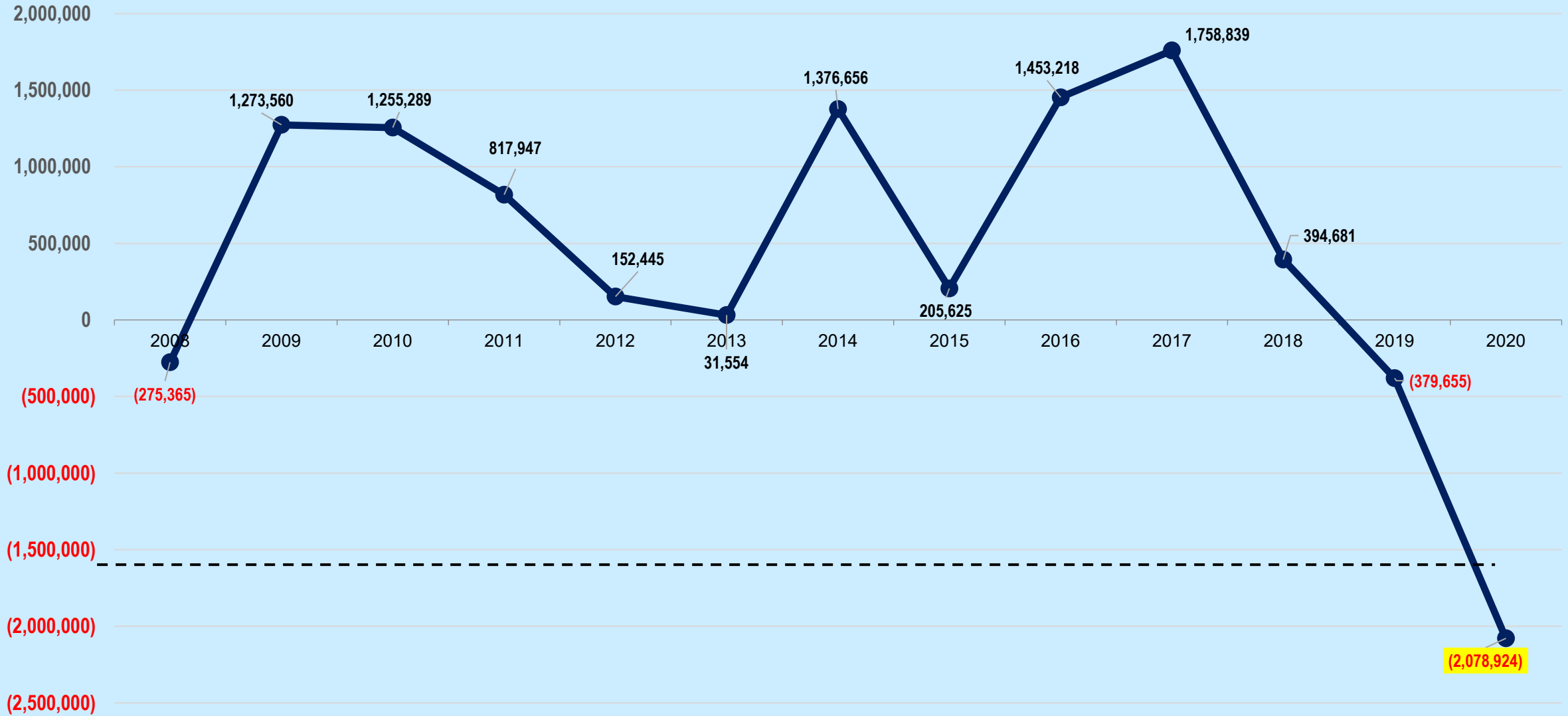
	Year Published	Original Price	2020 Inflation Adjusted Price
First 	1939	\$3.50	\$64.24
Second 	1955	\$4.50	\$43.31
Third 	1976	\$5.65	\$26.16
Fourth 	2001	\$6.00	\$8.86

# **SELF-SUPPORT OF THE WORLD SERVICES OF ALCOHOLICS ANONYMOUS**

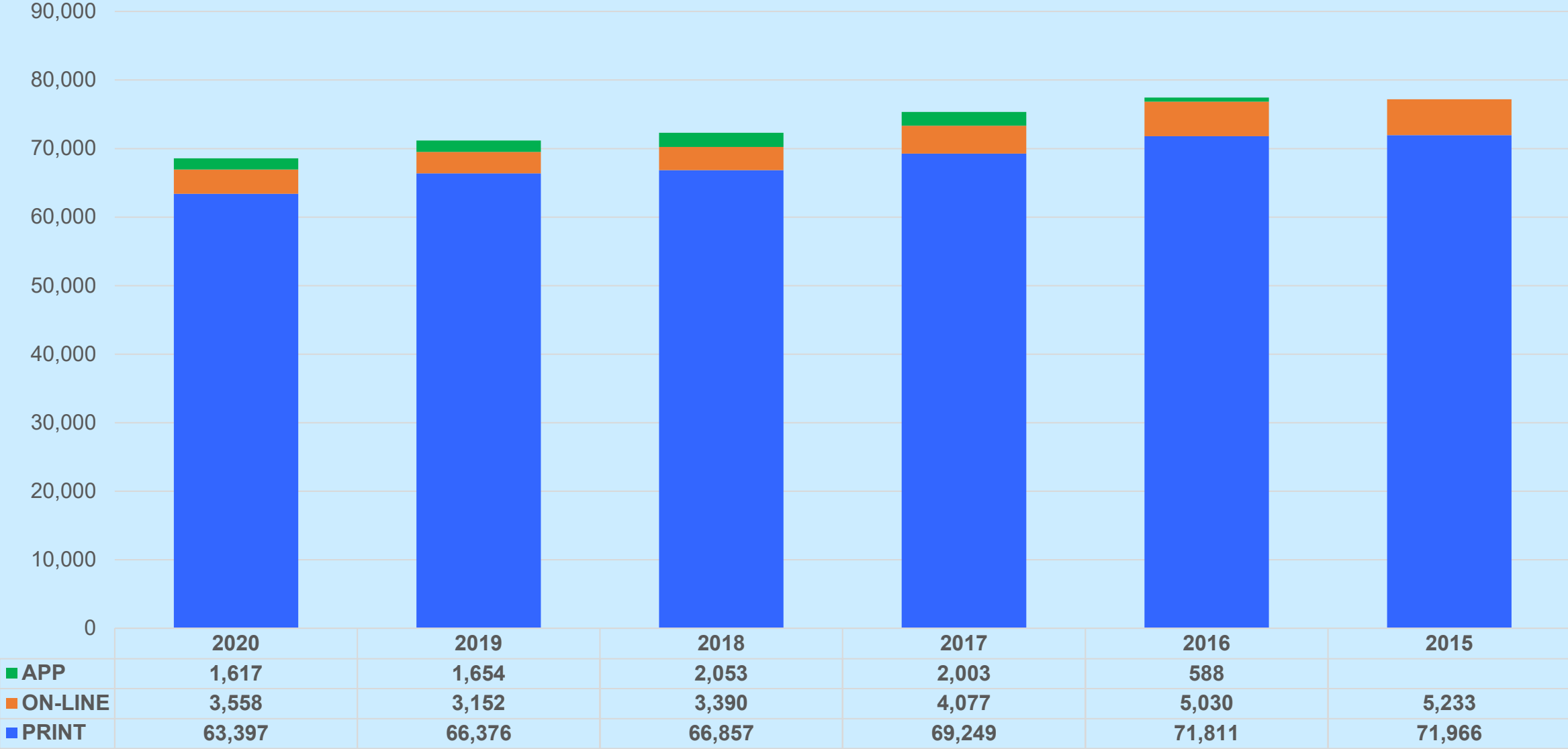
**The A.A. spiritual principle of self-support enables us to pursue our primary purpose of carrying the message to the still-suffering alcoholic with a shared sense of responsibility for our lifesaving work and without interference or financial dependence on outsiders. From our Fellowship's earliest days, the expenses of the General Service Office, and the world services provided by it, have exceeded the amount derived from contributions of A.A. groups and members. As a result, providing these needed services has necessarily been supported in part by income from the sale of A.A. literature. It is the policy of the General Service Board that income from literature sales should only be in amounts required to allow continued provision of vitally needed services and maintenance of a Reserve Fund. We hope that the day will come when A.A. groups and members, through their contributions, will be able to fund fully the services provided by the General Service Office. If that is achieved, revenues from literature sales will only be needed in amounts necessary to cover the actual costs associated with literature production and to maintain a Reserve Fund.**

**Approved by the General Service Board February 3, 2014**

# GSO & AAWS – OPERATING RESULTS – 2008 – 2020



# GRAPEVINE – AVERAGE CIRCULATION – 2015 - 2020

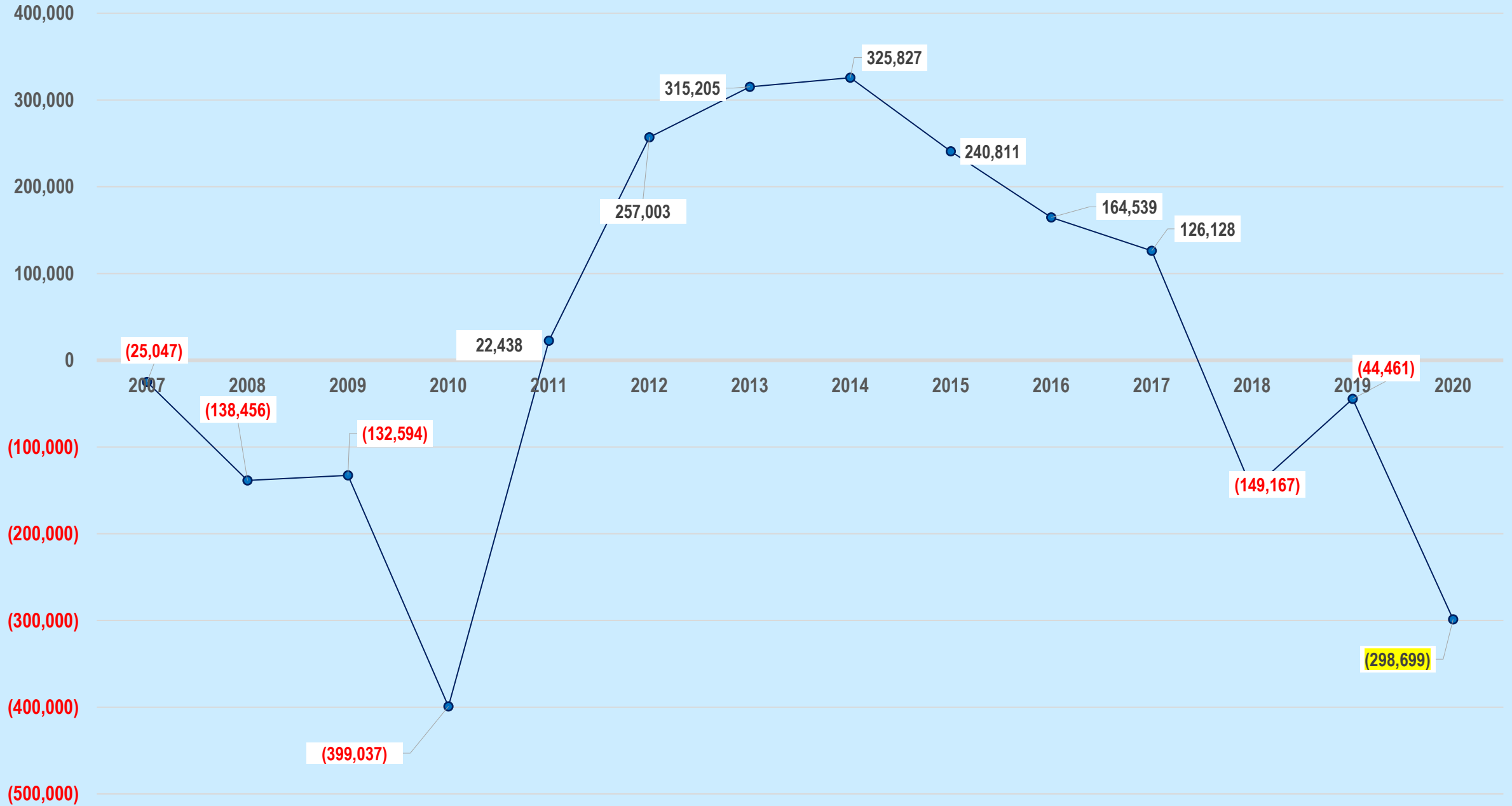




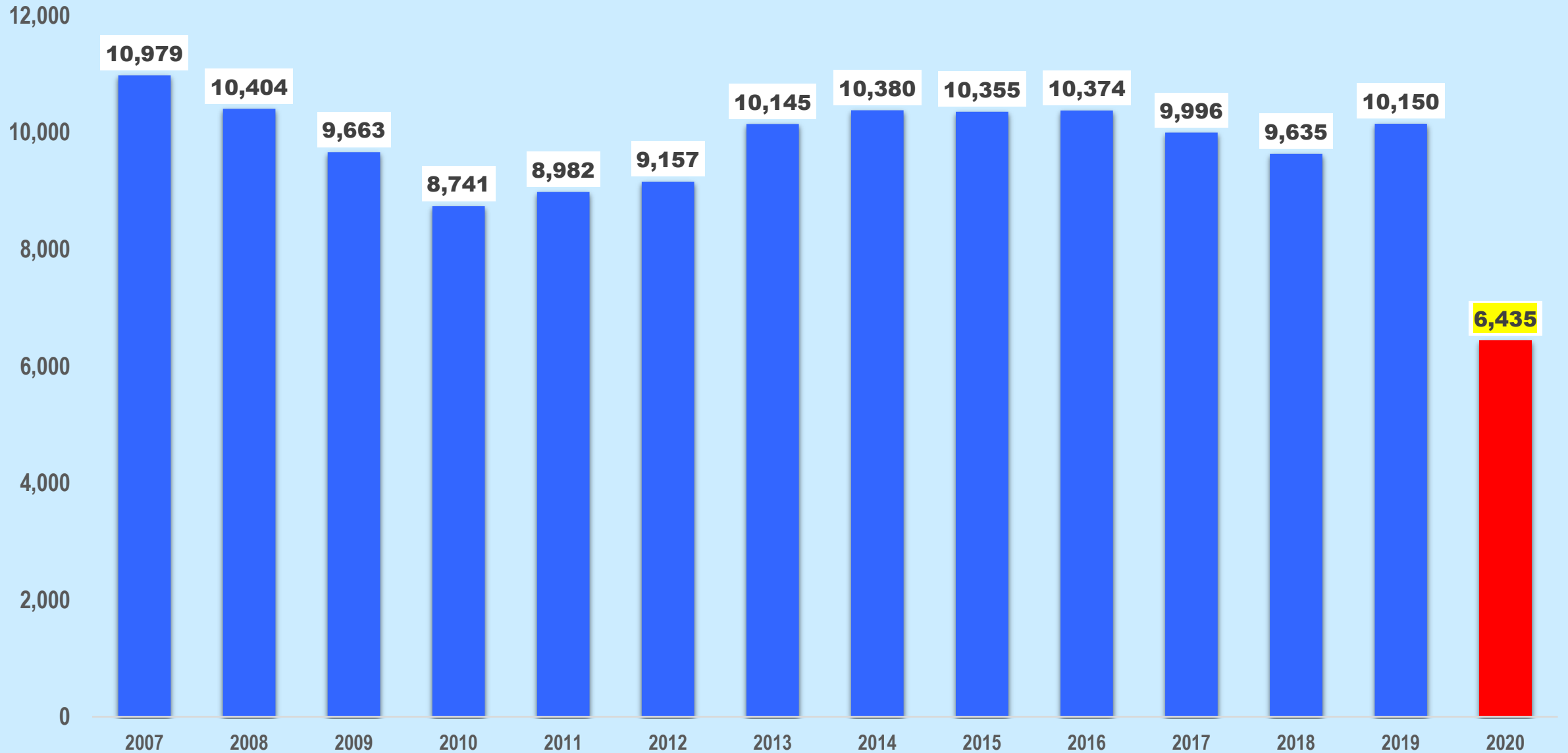
# GRAPEVINE – 2020 ACTUAL VS 2020 BUDGET

	AVERAGE CIRCULATION – PRINT		
	ONLINE & APP		
	2020 ACTUAL	2020 BUDGET	Increase (Decrease)
Magazine Revenue	\$1,874	\$1,983	(\$119)
Magazine Direct Costs	<u>(\$643)</u>	<u>(\$773)</u>	<u>(\$130)</u>
Gross Profit on Magazine	<u>\$1,231</u>	<u>\$1,210</u>	<u>(\$12)</u>
Other Publishing Revenue	\$582	\$1,103	(\$522)
Cost of Goods Sold	<u>(\$227)</u>	<u>(\$314)</u>	<u>(\$86)</u>
Gross Profit on Other Publishing Items	<u>\$354</u>	<u>\$790</u>	<u>(\$436)</u>
Total Gross Profit	<u>\$1,585</u>	<u>\$1,999</u>	<u>(\$424)</u>
Costs and Expenses			
Editorial Costs	\$870	\$769	\$101
Circulation and Business	\$961	\$1,066	(\$105)
General and Administrative	<u>\$84</u>	<u>\$190</u>	<u>(\$106)</u>
Total Costs and Expenses	<u>\$1,915</u>	<u>\$2,025</u>	<u>(\$110)</u>
Interest Income	<u>\$30</u>	<u>\$30</u>	
Net Income	<b>(\$299)</b>	\$4	<b>(\$303)</b>

# GRAPEVINE OPERATING RESULTS – 2007 – 2020



# LA VIÑA – AVERAGE CIRCULATION – 2007 – 2020

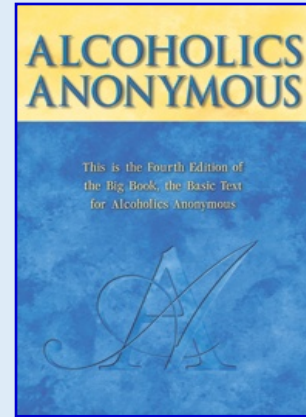
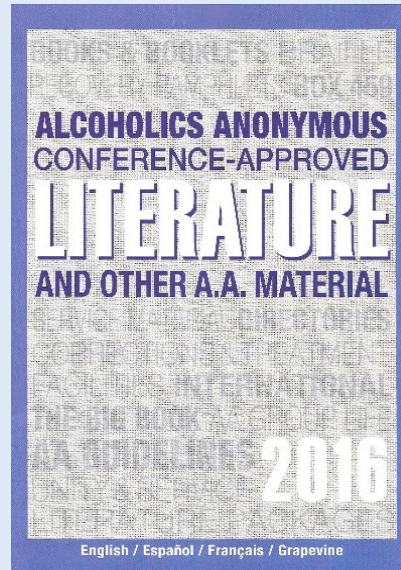


# LA VIÑA – STATEMENT OF ACTIVITIES 2017 - 2020

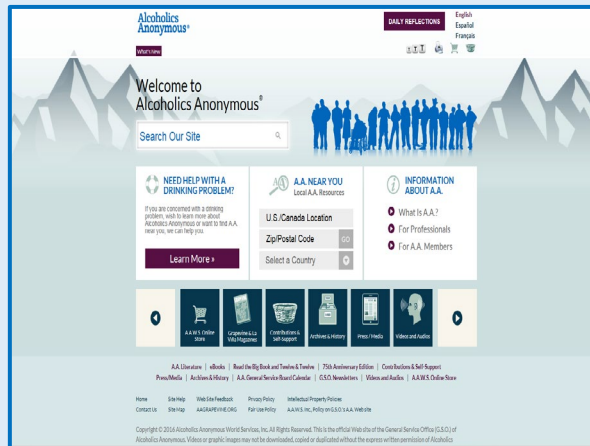
<b>Average Circulation</b>	<b>6,435</b>	<b>10,150</b>	<b>9,635</b>	<b>9,996</b>
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>				
Magazine	75,352	129,734	120,520	121,973
Related Items	<u>26,137</u>	<u>21,051</u>	<u>20,305</u>	<u>29,118</u>
<b>Total Revenue</b>	101,489	150,785	140,825	151,091
<b>Cost of Goods Sold</b>	<u>(52,064)</u>	<u>(61,443)</u>	<u>(60,090)</u>	<u>(56,603)</u>
<b>Gross Profit</b>	<u>49,425</u>	<u>81,877</u>	<u>80,735</u>	<u>94,488</u>
<b>COSTS AND EXPENSES</b>				
Editorial Costs	241,881	219,236	142,252	133,985
Circulation and Business	193,315	148,482	80,968	81,896
General and Administrative	<u>0</u>	<u>5,683</u>	<u>5,982</u>	<u>5,047</u>
<b>Total Costs and Expenses</b>	<u>435,196</u>	<u>373,401</u>	<u>229,202</u>	<u>220,928</u>
<b>Shortfall between Revenue and Expenses</b>	<b>(385,771)</b>	<b>(289,314)</b>	<b>(148,467)</b>	<b>(126,440)</b>
<b>Support from GSB General Fund</b>	<b><u>385,771</u></b>	<b><u>289,314</u></b>	<b><u>148,467</u></b>	<b><u>126,440</u></b>
<b>NET</b>		<b>- 0 -</b>	<b>- 0 -</b>	<b>- 0 -</b>

# G.S.O.'s TWO BASIC PUBLICATIONS

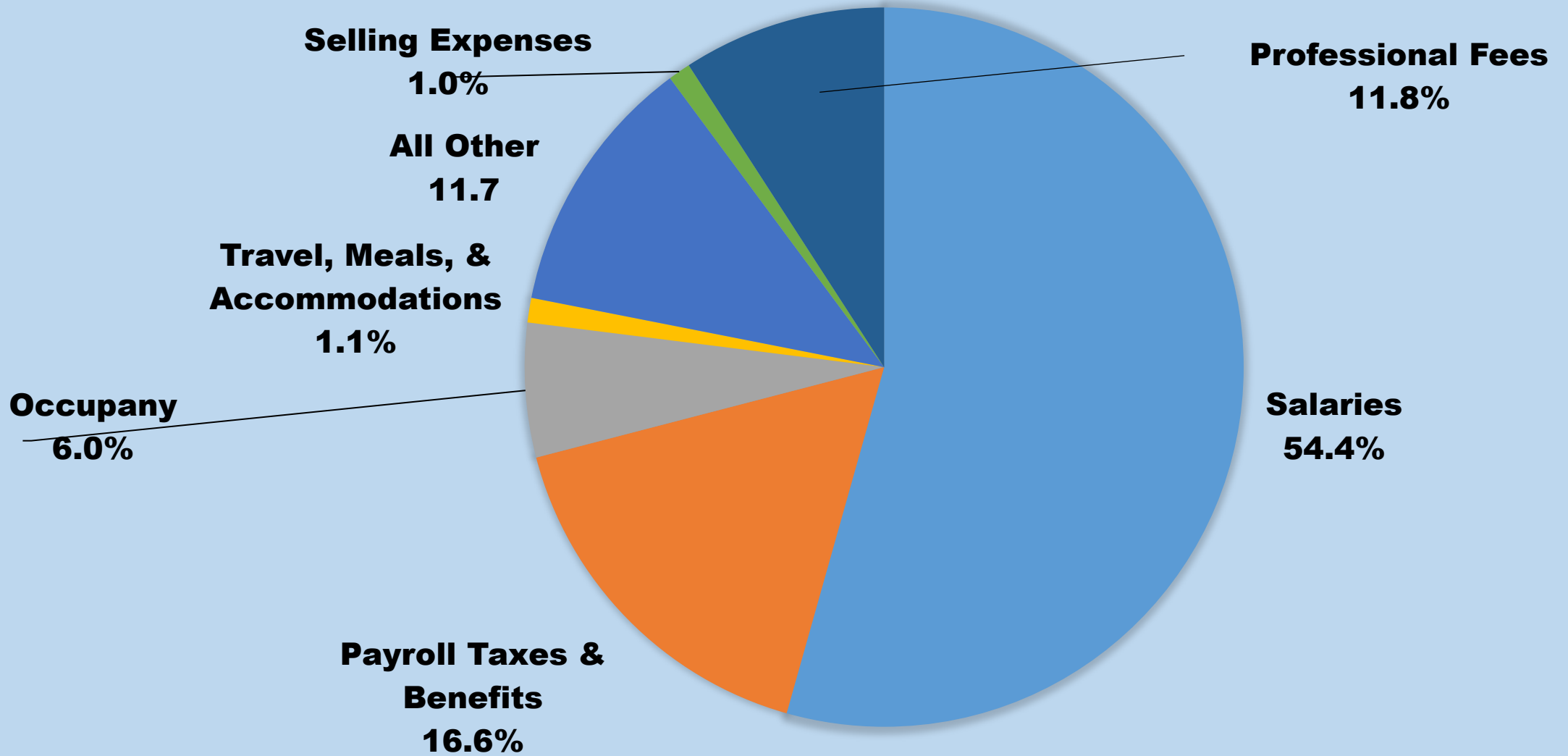
## • Publishing



## • Services on Behalf of the G.S.O.



**RECURRING OPERATING EXPENSES – 2020 – \$16.6 M  
FINANCIAL STATEMENT EXPENSE CATEGORIES  
PERCENTAGE BREAKDOWN**



# FELLOWSHIP SERVICES – DIRECT COSTS & PERCENTAGES

\$ in Thousands	2020	% of Total	2019	% of Total	2018	% of Total
Public Information	478	4.1	327	2.9	336	2.9
Cooperation with Professional Community	334	3.1	292	2.6	297	2.6
Treatment Facilities	191	1.8	132	1.2	131	1.1
Corrections	441	4.1	294	2.6	329	2.9
Overseas Services (Literature Assistance) & Loners	791	7.3	526	4.6	501	4.4
Regional Forums	461	4.3	532	4.7	453	4.0
Archives	1,221	11.3	800	7.0	791	6.9
Spanish Services	10	0.1	27	0.1	0	0
Communications	326	3.0	189	1.6	0	0
<b>Sub-Total – Outreach</b>	<b>4,252</b>	<b>39.3</b>	<b>3,109</b>	<b>25.4</b>	<b>2,838</b>	<b>24.8</b>
General Service Conference	573	5.63	1,114	9.5	1,092	9.6
Trustees & Directors Activities	104	1.	577	4.9	601	5.2
Nominating	428	4.0	259	2.2	269	2.3
International Convention	309	2.9	190	1.6	-	-
World Service Meeting	208	1.9	203	1.8	203	1.8
<b>Sub –Total – Service Leadership</b>	<b>1,622</b>	<b>15.0</b>	<b>2,164</b>	<b>18.3</b>	<b>2,165</b>	<b>18.9</b>
Group Services	2,873	26.6	2,202	18.7	2,235	19.6
Supporting Services (Technology, Finance, etc.)	2,062	19.1	4,329	37.9	4,189	36.7
<b>Total Costs of Services Provided</b>	<b>10,810</b>	<b>100</b>	<b>11,804</b>	<b>100.0</b>	<b>11,427</b>	<b>100.0</b>
\$ increase over prior year – % increase over prior year	-994	-1.09	377	3.3	1,205	11.8%
<b>La Viña Service Activity - NOTE</b> – GSB support for the La Viña service activity is NOT an actual operating expense of GSO, but is included here to show its relative significance of this service.	386	n/a	297	n/a	148	n/a

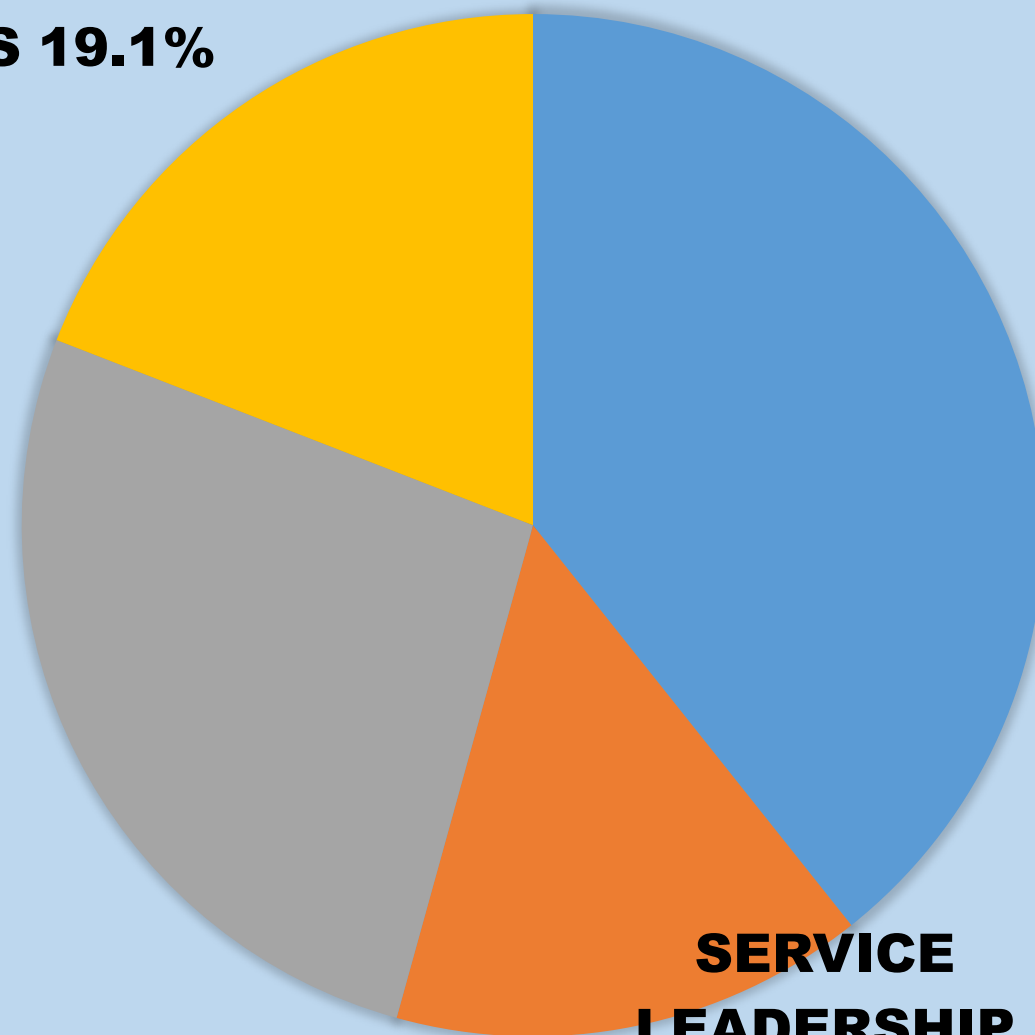
# **COST OF SERVICES PROVIDED TO THE FELLOWSHIP – 2020– \$10.8 M**

**■ SUPPORTING  
SERVICES 19.1%**

**■ OUTREACH  
39.3%**

**■ GROUP SERVICES  
26.6%**

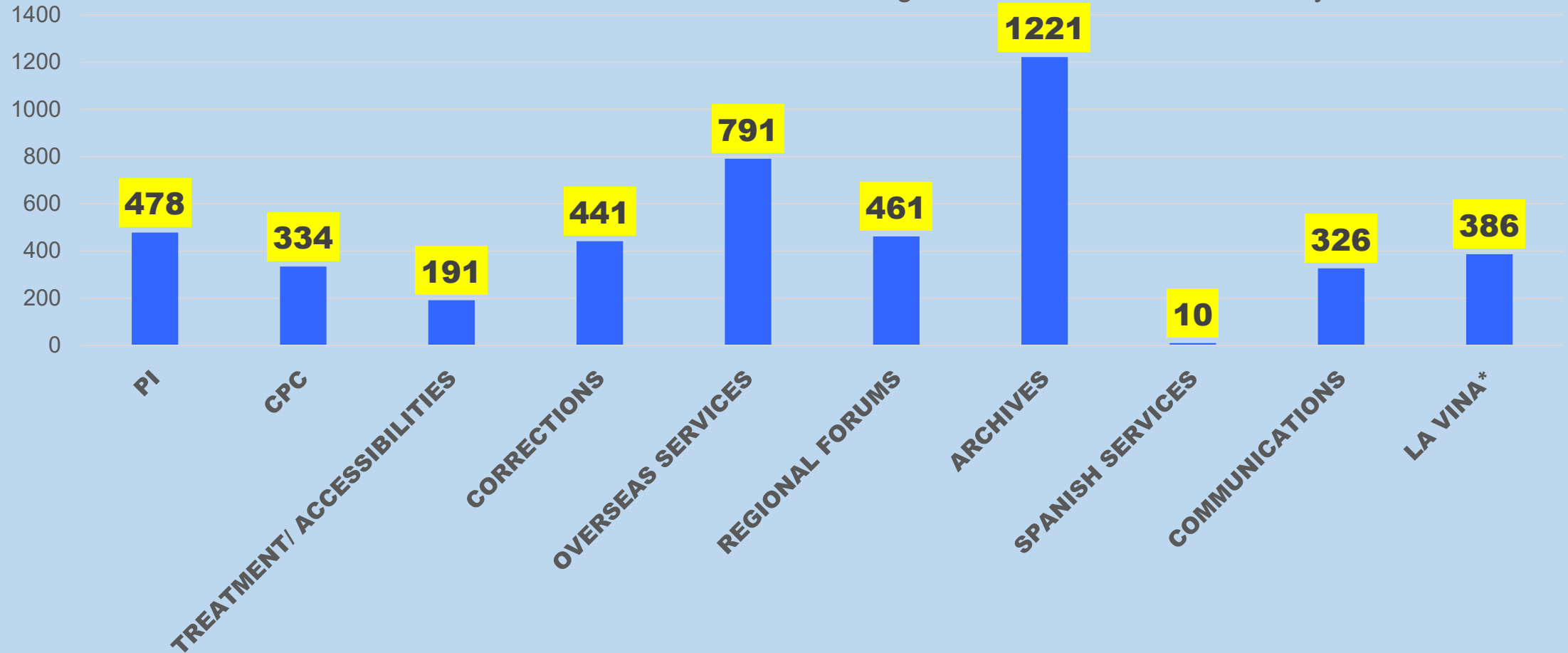
**■ SERVICE  
LEADERSHIP  
15.0%**





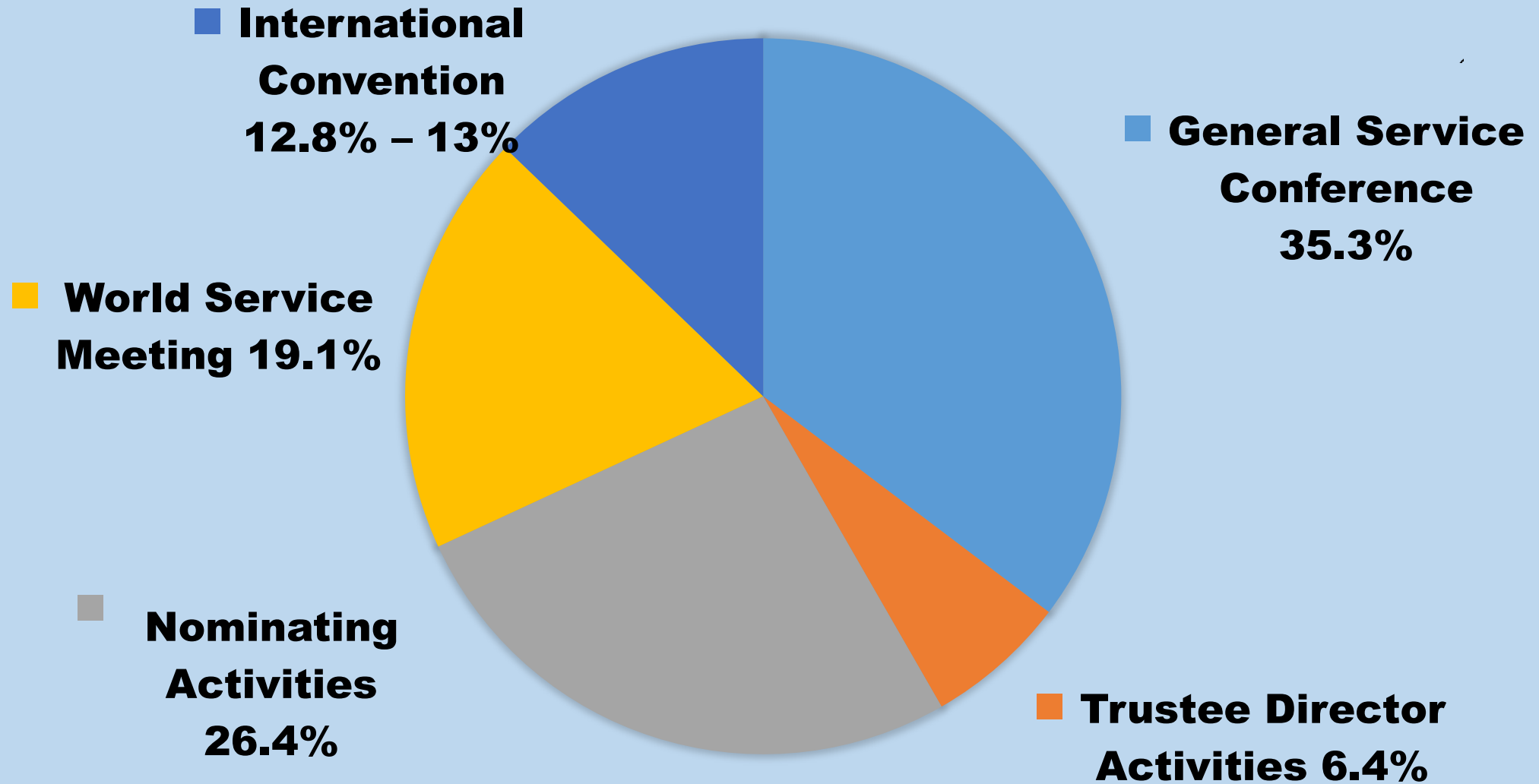
# OUTREACH SERVICES PROVIDED TO FELLOWSHIP 2020

**NOTE** – GSB support for the La Vina service activity is NOT an actual operating expense of GSO, but is included here to show its relative significance of this service activity.



\$ in Thousands

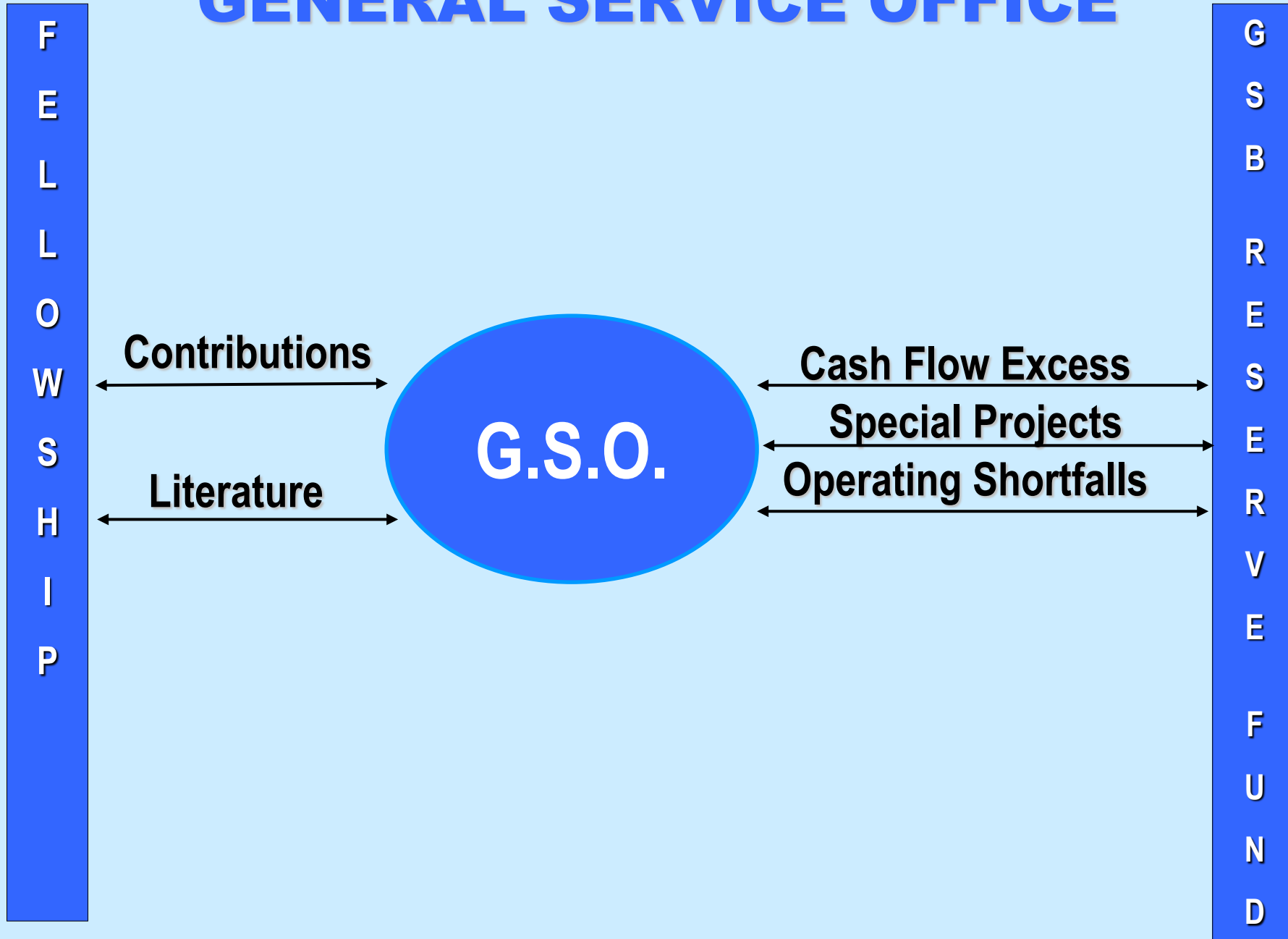
## 2020 SERVICE LEADERSHIP ACTIVITIES



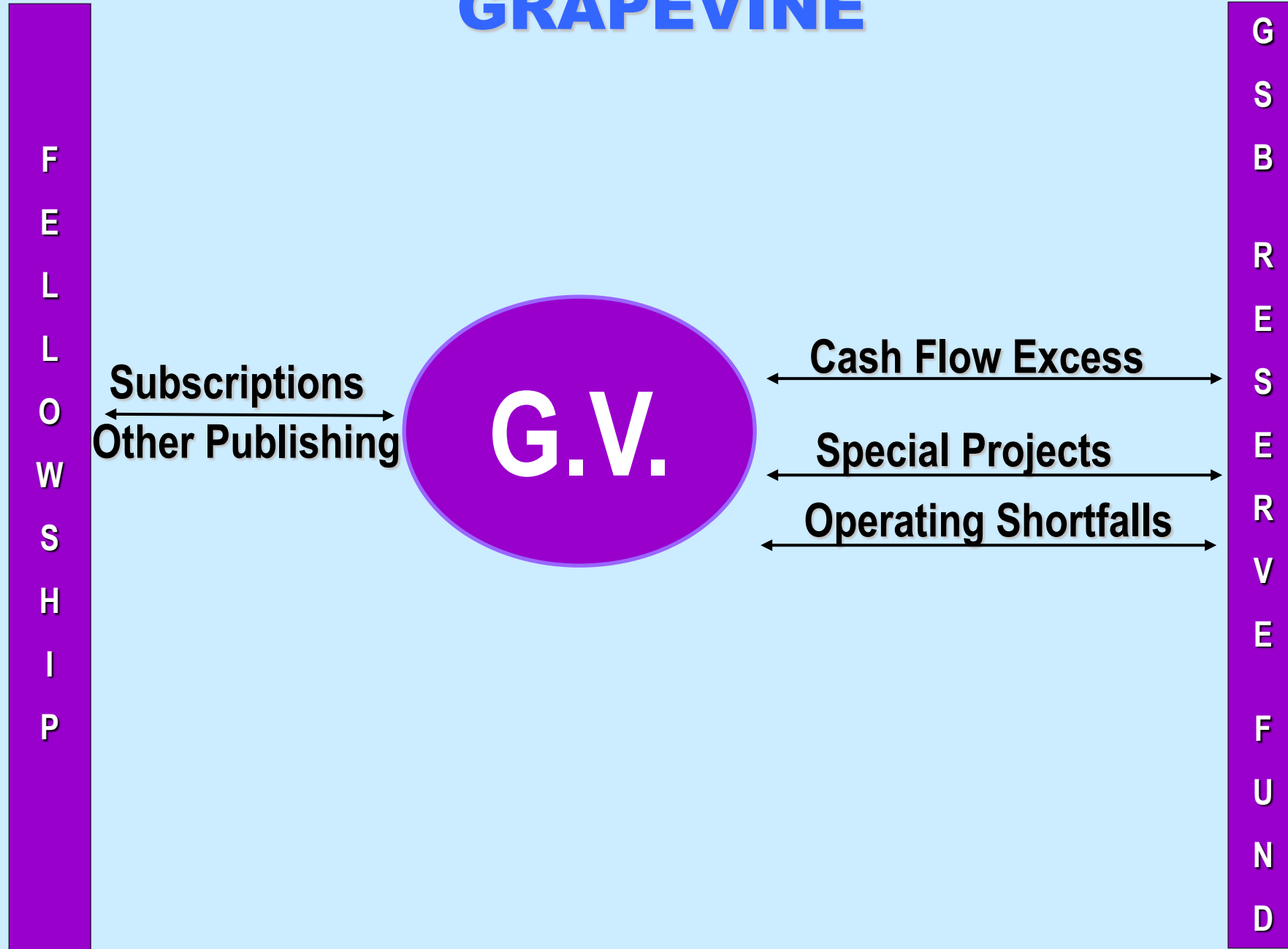
# MEMBER SERVICES & STATISTICS 2020

2020	
Number of Members	1,473,390
Cost of Services per Member	7.34
7 <sup>th</sup> Tradition Self-Support Contributions per Member	<u>6.81</u>
Cost of Services <b><u>NOT</u></b> covered by Self-Support	.53
Number of Groups	71,190
Cost of Services per Group	\$151.85
7 <sup>th</sup> Tradition Self-Support Contributions per Group	<u>144.12</u>
Cost of Services <b><u>NOT</u></b> covered by Self-Support	7.73
Percentage of Groups Contributing	34.8%
Number of Groups that Contributed	24,779
7 <sup>th</sup> Tradition Self-Support of Groups that contributed	\$238.95

# GENERAL SERVICE OFFICE



# GRAPEVINE



# 2020 PRUDENT RESERVE


<b>Beginning Balance January 1, 2020</b>	<b>16,204,773</b>
Investment Earnings	245,191
Drawdowns	4,000,000
<b>Ending Balance December 31, 2020</b>	<b>12,449,964</b>


<b>Composition of Ending Balance</b>	
Cash	1,063,149
Certificates of Deposit (CDARs)	12,610,224
Accrued Interest	250,091
Less Grapevine subscription liability	(1,473,500)
<b>Ending Balance</b>	<b>12,449,964</b>

# 2020 PRUDENT RESERVE

- Why did we need \$4 million from the Reserve Fund?
- The simplest answer is that we had many items which required cash and there was not enough cash on hand.
- The longer answer is that literature sales were down significantly at a time when there was a need for cash to meet our obligations.
- At year end gross profit from literature sales was \$6.58 M, 32.9% less than a budget of \$9.8 M and 29.7% less than 2019 gross profit of \$9.36 M.

# 2020 PRUDENT RESERVE

- 
- Several long term projects were moving toward completion, including the Voluntary Retirement Incentive Program, the completion of the 8<sup>th</sup> floor, Netsuite Implementation and the work on the new website.

- 
- In addition we needed the cash to refund registration fees and pay vendors for the International Convention prior to receiving the insurance settlement.



# 2020 PRUDENT RESERVE

Number of Months Expenses Held	
January 1, 2020	9.27
December 31, 2020	7.90
Target	9 to 12

Use of Drawdown	
International Convention registration refunds	3,727,864
Voluntary Retirement Incentive Program (partially funded by reserve fund drawdown)	272,136
<b>TOTAL</b>	<b>4,000,000</b>

# USES OF GSB's RESERVE FUND

- ❖ Concept of GSB's Prudent Reserve – not same as in your Home Group's reserve
- ❖ GSB's Reserve Fund covers much more
  - Operating shortfalls between revenues and expenses
  - Capital construction projects
  - Lease guarantees
  - Pension obligations
  - Retirement medical obligations
  - Litigations and legal liabilities
  - **Any other unknowns**

# RESERVE FUND 2015 – 2020

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	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Reserve Fund – (\$ in Thousands)</b>	<b>\$12,450</b>	<b>\$15,832</b>	<b>\$15,935</b>	<b>\$14,353</b>	<b>\$14,959</b>	<b>\$14,584</b>
<b>Expenses (\$ in Thousands)</b>	<b>18,911</b>	<b>20,127</b>	<b>19,736</b>	<b>18,059</b>	<b>\$17,410</b>	<b>\$17,075</b>
<b>Number of months covered</b>	<b>7.9</b>	<b>9.4</b>	<b>9.7</b>	<b>9.5</b>	<b>10.3</b>	<b>10.2</b>

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**By Conference action, the “Prudent Operating Reserve” was defined as an amount equal to the preceding year’s combined operating expenses of A.A. World Services, A.A. Grapevine and the General Fund of the General Service Board. Operating expenses include “office and operating expenses” and do not include the Cost of Products or Manufacturing cost.**

# RESERVE FUND

## ❖ Reserve Fund Balance

- **December 31, 2020 - \$12,449,964 – Annual earnings - \$245,191**
- December 31, 2019 – \$16,202,404 – Annual earnings – \$283,402
- December 31, 2018 - \$15,935,331 – Annual Earnings - \$226,713
- December 31, 2017 – \$14,352,618 – Annual earnings – \$153,884

## *INVESTMENT GUIDELINES*

### **“Minimum Requirement”**

To assure the liquidity, the Reserve Fund shall contain investment instruments having maturities of one year or less in an amount equal to the sum of (a) the unearned Grapevine subscription liability and (b) the operating cash requirements of the service entities. This amount will be reviewed annually by the trustees' Finance and Budgetary Committee.

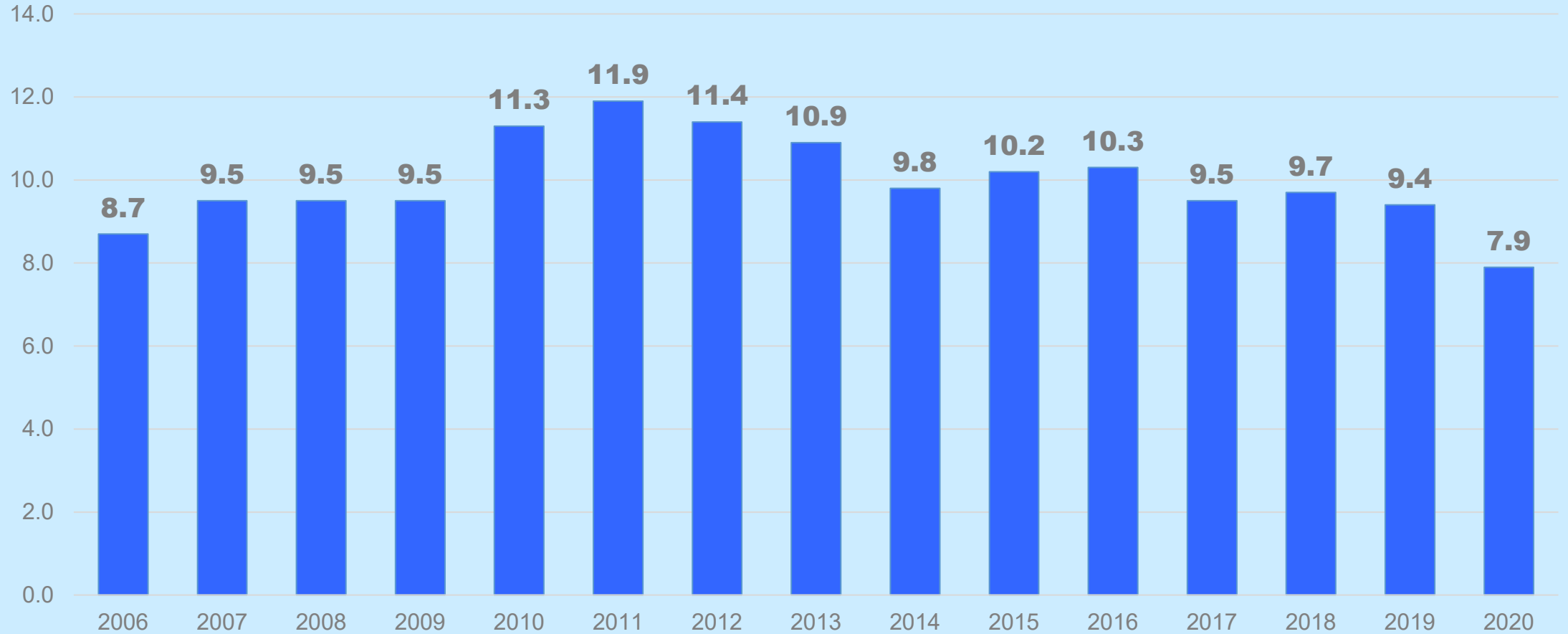
### **“No More Than”**

The balance of the Reserve Fund shall be invested in instruments with maturities of between zero (0) and ten (10) years, provided that at no time shall more than 50% of the principal amount of such balance consist of investments having maturity dates of five or more years.

### **Reserve Fund Policy Investment Review**

At its October 31, 2016 meeting the General Service Board accepted the recommendation that no change in the investment philosophy be undertaken, based on the Report of a Subcommittee of trustees' Finance and Budgetary Committee.

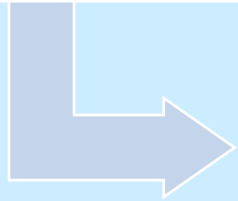
# RESERVE FUND RATIO NUMBER OF MONTHS COVERAGE 2006– 2020



# RESERVE FUND

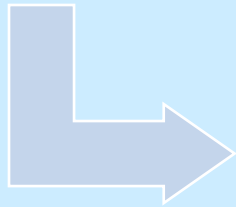
Cut Costs

- In 2020 expenses were reduced by 1.5M in non personnel cost
- Find more innovative ways to keep costs down



Increase 7<sup>th</sup>  
Tradition  
Support

- Continue to let the fellowship know what is happening at GSO and show how the work to carry the message continues



Increase  
the  
Reserve

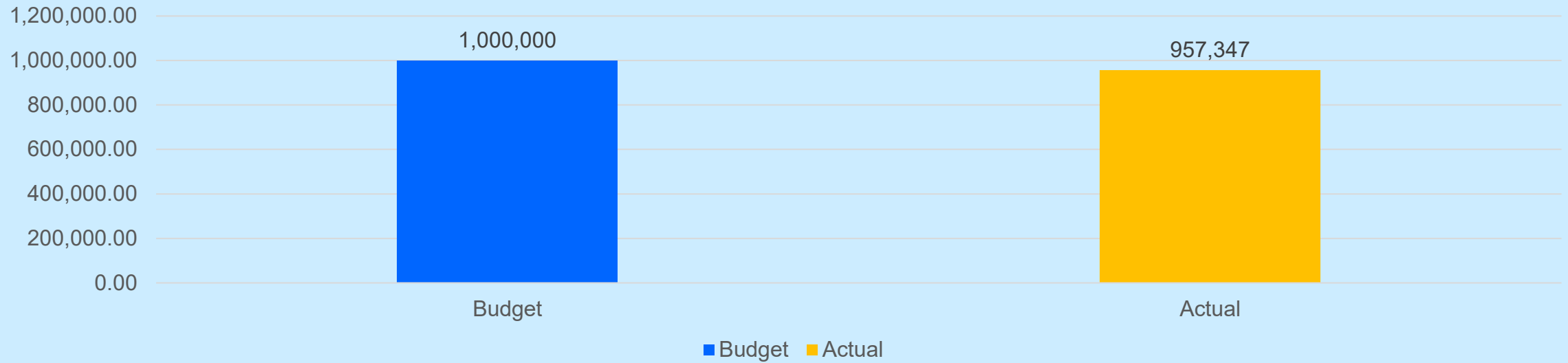
- Develop a plan to insure the reserve fund is adequately funded for future needs

# 2020 INTERNATIONAL CONVENTION - CANCELLED

	Detroit 2020 Budget	Detroit 2020 Actual
Attendees	47,500	0
Registration Revenue	<u>5,583,218</u>	<u>0</u>
Cancellation Donations		40,324
Insurance Payment – Net of \$180,000 shared with Grapevine		<u>1,972,134</u>
Total revenue	5,583,218	2,012,458
Stadium	1,446,571	
Convention Center	1,267,830	
Busing		70,500
All other	<u>2,804,119</u>	<u>2,152,581</u>
Total costs	<u>5,518,520</u>	<u>2,223,081</u>
Net	64,698	(210,624)

# 8<sup>TH</sup> FLOOR CONSTRUCTION

## Total Cost





## ERP ACTUAL VS BUDGET

PROJECT PHASE	BUDGET	ACTUAL THRU 12/31/20	VARIANCE
Software Selection and Design Consultant	172,217	146,456	25,761
Initial Implementation Vendor	256,933	840,786	(583,853)
Program & Project Management Consultant	670,421	649,885	20,536
Reimplementation & Ongoing Support Vendor	598,710	560,558	38,152
<b>TOTAL</b>	<b>1,698,281</b>	<b>2,197,685</b>	<b>(499,404)</b>

# **BENEFITS OF ERP ENTERPRISE RESOURCE PLANNING SYSTEM**

- ❖ Bringing all our data together
- ❖ More information reported more accurately more timely reporting
- ❖ More efficient member service
- ❖ Literature sales and contributions websites
- ❖ Fellowship Connection
- ❖ New technology to secure data and prevent breaches

# SAMPLE ERP REPORT

A.A. World Services, Inc  
GSO (Consolidated)  
NEW Comparative Income Statement  
Mar 2021

Financial Row	This Month (Mar 2021)	Same Month Last Year (Mar 2020)	Month Variance	Current Year	Last Year to	Year To Date Variance
				to Date (Jan 2021 - Mar 2021)	Date (Jan 2020 - Mar 2020)	
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
<b>40000 - Contributions - Members &amp; Groups</b>						
<b>41000 - Contributions - Members &amp; Groups : US/Canada</b>						
41100 - Contributions - Members & Groups : US/Canada : Mail	\$748,380	\$439,547	\$308,833	\$1,820,525	\$1,745,452	\$75,073
41200 - Contributions - Members & Groups : US/Canada : Online	\$208,894	\$88,579	\$120,315	\$680,056	\$240,062	\$439,995
<b>Total - 41000 - Contributions - Members &amp; Groups : US/Canada</b>	<b>\$957,275</b>	<b>\$528,126</b>	<b>\$429,148</b>	<b>\$2,500,582</b>	<b>\$1,985,514</b>	<b>\$515,068</b>
<b>Total - 40000 - Contributions - Members &amp; Groups</b>	<b>\$957,275</b>	<b>\$528,126</b>	<b>\$429,148</b>	<b>\$2,500,582</b>	<b>\$1,985,514</b>	<b>\$515,068</b>
<b>42000 - International</b>						
42100 - World Service Meeting Fund	\$0	\$0	\$0	\$0	\$20,966	(\$20,966)
42200 - International Literature Fund	\$1,990	\$3,160	(\$1,170)	\$4,171	\$19,218	(\$15,047)
<b>Total - 42000 - International</b>	<b>\$1,990</b>	<b>\$3,160</b>	<b>(\$1,170)</b>	<b>\$4,171</b>	<b>\$40,184</b>	<b>(\$36,013)</b>
<b>43000 - General Service Conference</b>						
43100 - General Service Conference: Delegate Fees	\$100,181	\$0	\$100,181	\$122,681	\$1,800	\$120,881
43200 - General Service Conference: Additional Contributions	\$27,831	\$0	\$27,831	\$31,444	\$0	\$31,444
<b>Total - 43000 - General Service Conference</b>	<b>\$128,012</b>	<b>\$0</b>	<b>\$128,012</b>	<b>\$154,124</b>	<b>\$1,800</b>	<b>\$152,324</b>
<b>46000 - Sales</b>						
41760 - Sales : Overseas Discounts - old	(\$887)	\$0	(\$887)	(\$9,073)	\$0	(\$9,073)
41770 - Sales : External Discounts - old	\$0	\$0	\$0	(\$2)	\$0	(\$2)
46100 - Sales : Literature Sales	\$779,901	\$901,536	(\$121,635)	\$2,898,890	\$3,529,142	(\$630,252)
46200 - Sales : Shipping Charge	\$122,785	\$16,843	\$105,941	\$122,847	\$18,967	\$103,880
46300 - Sales : Discounts	(\$537)	(\$10,154)	\$9,617	(\$246,331)	(\$47,654)	(\$198,677)
46400 - Exchange Rate/Gain/Loss	\$385	(\$177,213)	\$177,597	\$3,047	(\$113,551)	\$116,598
<b>Total - 46000 - Sales</b>	<b>\$901,646</b>	<b>\$731,012</b>	<b>\$170,633</b>	<b>\$2,769,377</b>	<b>\$3,386,904</b>	<b>(\$617,526)</b>
<b>Total - Income</b>	<b>\$1,988,923</b>	<b>\$1,262,299</b>	<b>\$726,624</b>	<b>\$5,428,254</b>	<b>\$5,414,402</b>	<b>\$13,853</b>

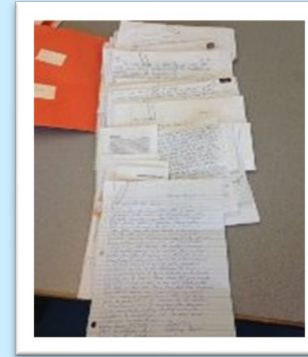
# 2020 COVID-19 IMPACT

## SERVICES CONTINUE AT AAWS AND GRAPEVINE



Over 125,000

Alcoholics provided with digital Grapevine subscriptions free of charge



1,800

Pieces of inmate correspondence

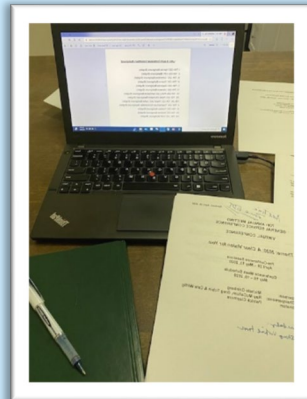
1,200 members behind the walls connected to members outside

March 2020

December 2020

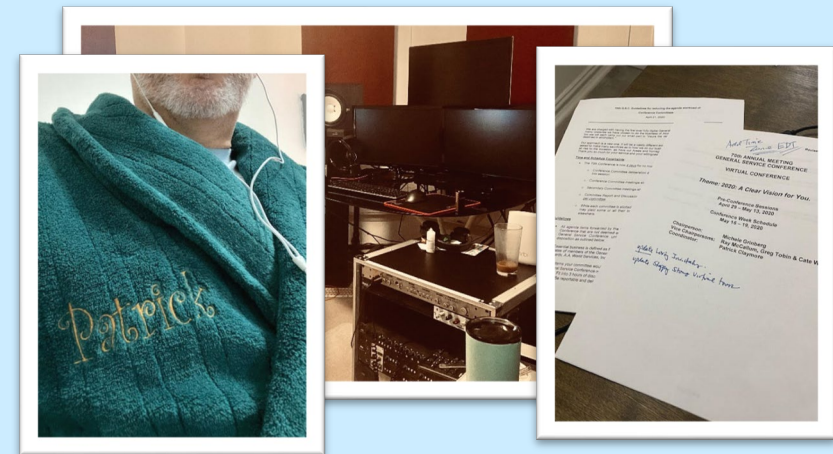
More than 90,000

emails/phone calls answered requesting information or help from GSO, since the office physically closed on March 20.

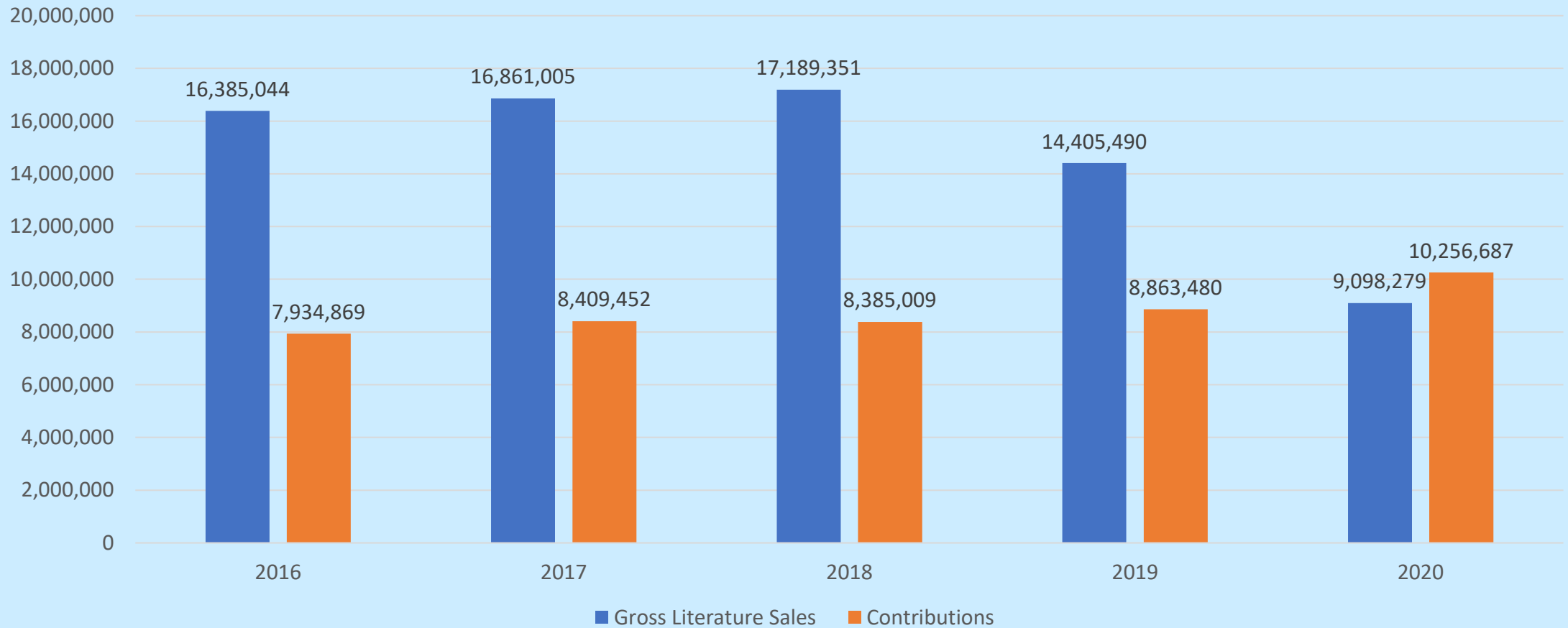


One

Completely virtual General Service Conference designed from the kitchens, living rooms and home offices across the US and Canada

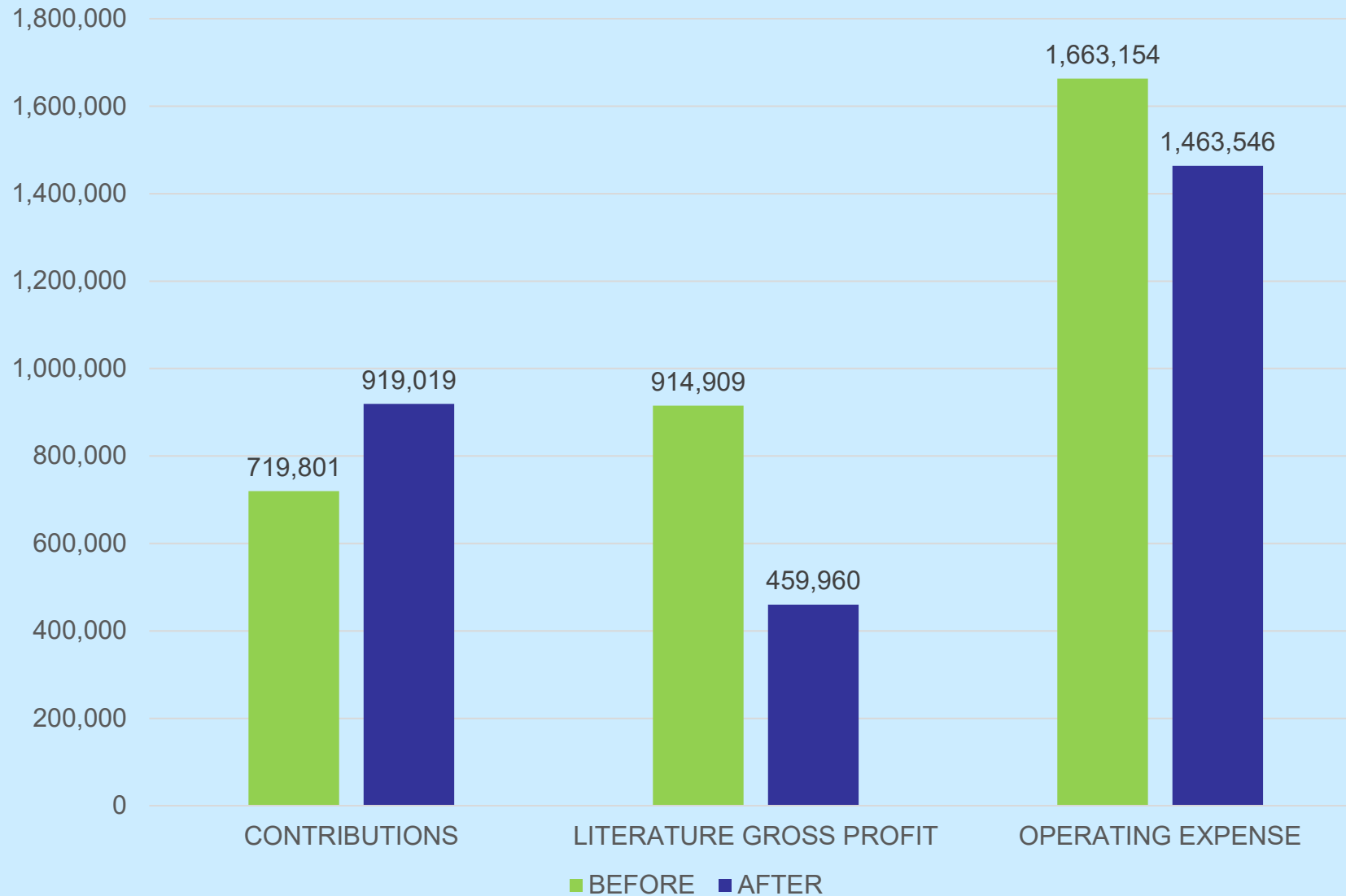


# IMPACT OF PANDEMIC ON REVENUE DISTRIBUTION



# BEFORE AND AFTER PANDEMIC

## MONTHLY AVERAGE REVENUE AND EXPENSE



# 2020 UPDATE COVID-19 IMPACT

## KEY TALKING POINTS FOR THE FELLOWSHIP

1

A.A. is still here! We actually thrive in uncertainty— hope remains, and the message continues to be carried

2

Our prudent reserve is designed precisely for this situation and will carry us through until the membership can get us back on our feet

3

This remains an unprecedented time in the world and a pivotal moment for A.A. Now is the time for our membership to continue to demonstrate what self-supporting really means

# THANK YOU

- ❖ Paul Konigstein, CFO
- ❖ Zenny Medina, Director of Finance
- ❖ Patrick C, Conference Coordinator, for his patience
- ❖ All of employees of both A.A.W.S. and Grapevine
- ❖ Members of Trustees' Finance and Budgetary Committee, along members of the Finance Committees of A.A.W.S. and Grapevine
- ❖ Our Independent Auditors – Marks Paneth, LLP
- ❖ Our outsourced accounting support – Your Part-time Controller

\*\*\*\*\*

Any questions – Please feel free to contact me at – [lbackus@recoveryplace.org](mailto:lbackus@recoveryplace.org)