

# Highlights from A.A.W.S.

January 30, 2020

Updated

The A.A. World Services Board met on Thursday, January 30, 2020, at the General Service Office, 475 Riverside Drive, NY, NY 10115. Chair of the A.A.W.S. Board, Cathy B., welcomed all in attendance and opened the meeting with a moment of silence.

## General Manager's Report

General Manager Greg T. provided the following report:

*Administration* – The new Communication Services department successfully launched in November; the Technology Services (TS) team continues to drive support and stabilization initiatives across the NetSuite Phase I implementation; however, work is currently delayed on the 8th Floor construction project due to necessary asbestos abatement.

*Administrative Services* – Phase one roll out of the portal for Area registrars is planned for the last week in January. Training will be conducted via Zoom and a communication with training dates and log in information will be distributed to Area registrars soon.

*Archives* – The Archives has been invited to present a brief film on the history of A.A. for a screening on Saturday night in Detroit in July 2020 and closed down for one day in January to accommodate the filming.

*Human Resources* – The insurance renewal process for 2020 for A.A.W.S. and AA Grapevine employees was completed. This year, three options were offered for the medical insurance and two options for dental insurance.

*Information Technology Services* – There have been several key developments with the ERP project, including the addition of a business analyst role. Additionally, there has been a change in IT leadership with Lorna Graham (nonalcoholic) starting as interim director of technology services and providing support to the ERP Steering Committee.

## Staff Report

*Accessibilities/LIM* – The assignment is currently collecting stories submitted by the Fellowship to update the pamphlet “A.A. for the Older Alcoholic” and developing audio interviews with the military in A.A.

*Conference* – The Conference Communications Kit was posted to the Conference Dashboard and made available to all Conference members starting January 2, 2020. The kit includes the list of preliminary Conference committee agenda items, committee assignments, buddy lists, the Conference Timeline, as well as several informational documents including a new one titled “Delegate Expenses for the General Service Conference.”

*C.P.C./Treatment* – The assignment updated welcome letters for district, area, and intergroup/central office chairs for C.P.C., Treatment, H&I and Bridging the Gap committees to include suggestions for getting started, online resources on the aa.org website and information about the A.A.W.S. LinkedIn page and YouTube channel

*Corrections* – The holiday edition of Sharing from Behind the Walls and the December Grapevine were sent out, along with requested books and pamphlets, to prisoners across the U.S. and Canada. Over 80 inmates were linked to outside A.A. members, bringing the total for 2019 to 1,790 men and women linked to A.A. members through the Corrections Correspondence Service (C.C.S.).

*Group Services* – In preparation for the quarterly call between G.S.O. and the ICOAA Communications Committee, the committee provided a list of questions that had come from their outreach to Intergroup/Central Offices. Questions focused on the following: changes to the “A.A. Near You” section of the revised aa.org website and how offices can offer input on future designs; what discounts or pricing changes may still be under consideration; how they might offer suggestions on the revised draft of the Service Manual as it relates to Intergroup/Central Offices; and the possibility of offices being notified about new and revised pamphlets and books in advance to help them with ordering. There were also questions related to the new ordering process with ERP that were addressed by our business analyst who created a short online tutorial to help explain options for users.

*International Convention* – As of early January, close to 27,000 people have registered for the Convention. Over 90% have registered online. The selection of hotel rooms has been expanded to outlying areas of Detroit to meet the housing needs of our registered attendees. Currently there are hotel and dorm rooms available in nearby areas with a less than 45-minute bus ride to the Convention Center, with shuttle buses being provided. The Volunteer Kick-Off Meeting will take place on Saturday, February 8, 2020. The Volunteer Welcome Committee is on the way to gathering the needed 4,000 volunteers. The Volunteer website will be launched in February and members will be able to sign up online.

*Literature* – A significant focus for the assignment has been to integrate sharing and provide input for revisions to the working draft of the update to the “Your General Service

Office, Grapevine and the General Service Structure” video. Post-production work continues with the project on budget and a final draft video will be viewed at the February meeting of the trustees’ Literature Committee.

*Nominating* – Resumes of the candidates for Class B regional trustees (West Central and Western Canada) have been received, catalogued, and will be presented as background to the trustees’ Nominating Committee in preparation for the elections at the General Service Conference in April 2020.

*Public Information* – In keeping with A.A.’s Public Information policy, the P.I. Desk will be sending out a Press Release to Media on the new Young and Sober in A.A.: From Drinking to Recovery video, noting that no matter your age it can never be too early or too late to seek help with a drinking problem. In addition, information will be included about Meeting Guide app, which can be helpful to the general public and the young people’s demographic this video is aimed at.

*Regional Forums* – Preparations are underway for the 2020 Regional Forums. Updated Regional Forum flyers and registration forms are targeted for printing, mailing and posting online as soon as possible and prior to the General Service Conference in April. Additionally, the Regional Forum video project is in post-production, with a final review slated this month.

## Finance

For the twelve months ended December 31, 2019, the G.S.O. income statement shows a \$313,530 deficit (loss) for the period.

Revenues were 1.94% higher than budgeted and 3.79% higher than the twelve months ended December 31, 2018. Operating expenses were 6.61% greater than budgeted and 7.93% more than last year.

Actual contributions for the year were \$8,855,697, 5.62% higher than budget and 5.61% higher than the year ended December 31, 2018. Online contributions for the first twelve months of 2019 amounted to \$1,001,083. This compared with \$878,333 in 2018, \$803,909 in 2017, \$565,885 in 2016, and \$434,274 in 2015. The 2019 online contributions account for 11.30% of our total contributions. It was noted that considerable savings in processing charges are achieved with contributions received online.

The following variances from the 2019 budget were noted for the twelve months:

A large variance in net sales was caused mainly by less than budgeted sales of *Our Great Responsibility*, with actual sales for the three languages ending the year at 34,137 copies, against a budget forecast of 100,000 copies to be sold. Additionally, for the twelve months, the salary line was \$7,981,695 (1.68%) more than budget and \$596,557 (8.08%) more than 2018. Professional fees were \$277,913 (77.20%) higher than budget and \$129,643 (25.51%) higher than 2018. These variances were mainly caused by contract reviews being over budget by \$125,471 for the year. There were also additional legal fees (general counsel) that amounted to \$142,327 higher than budget. Contracted Services were over budget by \$998,651 (83.22%) and also \$660,857 (42.97%) over 2018.

This variance was caused by ERP costs amounting to \$596,894 over budget. Travel, Meetings and Accommodations were \$74,701 (6.12%) higher than budget and \$3,435 (6.12%) more than 2018. There was \$79,467 more international travel than budget.

*Ad hoc Self-Support Committee*: after reviewing a Grapevine Self-Support flyer that was suggested for inclusion in the Self-Support packet, it was determined that work continue on the flyer for presentation to the board at an upcoming meeting.

*2020 International Convention*: The Talley Management Group provided an update on planning for the 2020 International Convention. Registration is currently tracking at 26,923 attendees, which is approximately 5,000 attendees lower than 2015, though still slightly ahead of the projected goal attendance for this point in time. Some concern was expressed that accessibilities attendees were trending lower by approximately 30%. Overall, housing is tracking at the same rate as 2015 and, while the downtown hotels are sold out, there are still hotels available 20-45 minutes from the Center. These hotels will offer shuttle transportation to the TCF Center and Ford Field. There will be another site visit in February that will include meetings on transportation, security, stadium planning, vendors, airport signage and other important aspects. Additionally, there will be a dinner meeting with the Detroit Welcome Committee and a volunteer kick-off event.

The board approved the following recommendations brought forward by the Finance Committee:

- That the budget for 2020, which reflects gross sales of \$14,750,000 and a bottom-line profit of \$1,140, be approved.
- That in order to increase accessibility, A.A.W.S. price normalize those items listed in the addendum. [Note: the addendum was presented in the report of the publishing director.]

## Publishing

*Gross sales*: December gross sales are slightly below budget with actual gross sales at \$1,070,415, which is a \$10,703 or a .99% negative variance against budget of \$1,081,118.

*Web sales*: Total web sales (A.A.W.S. Online Bookstores) for December stand at \$664,262, which accounts for about 63% of total sales for the company. Sales on the B2B online store (primarily Intergroup/Central Offices and other bulk orders) for December are \$417,823 and B2C sales (individual customers) stand at \$246,439.

*Digital books*: Total e-book gross sales through December 2019 stand at \$186,472, with 47,850 units distributed.

*Webstore*: Tech consultants from Welman Digital and a noted e-store expert presented top-level findings and recommendations following a review to address troubles in the webstore search, sort, design and customer service flow. The findings are being discussed and next steps prioritized.

*Mini Catalog*: A new interactive and revised “shoppable” mini catalog of A.A.W.S. literature and other items is in production, to be posted on aa.org, with each item linked to its webstore detail page.

*Translations summary*: The Big Book is available in 70 lan-

guages, which includes the original English and the recently completed American Sign Language revision. Thirty-four of these languages are printed and distributed by A.A.W.S. and 37 languages are licensed to be printed by local entities abroad, with 21 printed by both A.A.W.S. and international entities.

*Audiobooks Update:* The Big Book, “Twelve and Twelve” and *Living Sober* have been completed in English, French and Spanish. Manufacturing costs for CD sets are being gathered and will be brought to the A.A.W.S. board.

*Video Update:* The Young People’s Video “Young and Sober in A.A.: From Drinking to Recovery” is completed and will be posted on aa.org and A.A.W.S.’s YouTube channel in the coming weeks.

*Price Normalization:* The committee discussed a price normalization proposal that was forwarded to the Finance Committee that would normalize literature pricing to align with the board’s ongoing goals for accessibility and provide parity across the A.A.W.S. customer base, with some prices rising slightly and others being reduced. The new pricing would center on the base (or original) edition of each book or piece of literature and apply to most additional formats of that title. It was expected that such price changes would be reflected and take effect with the printing of the next catalog, expected in the first quarter of 2020. [Note: the softcover and abridged version pricing, with minor item-by-item adjustments, will remain as is. E-book pricing will not be affected.]

The board approved the following recommendations brought forward by the Publishing Committee:

- That A.A.W.S. move forward with a contract with Ingram CoreSource for digital distribution.
- That A.A.W.S. produce audio recordings in English, French and Spanish of the following pamphlets: “Access to A.A.,” “This Is A.A.,” “Is A.A. for You?,” “Is A.A. for Me?,” “The A.A. Group” and “Questions and Answers on Sponsorship.”

## Technology/Communication/Services (TCS)

The committee reviewed the minutes of G.S.O.’s Website Committee, along with progress reports and updates on G.S.O.’s A.A. website analytics and visitor’s activity reports.

Verbal reports were provided by the director of Technology Services and the Group Services assignment. The interim director of Technology Services provided a departmental update, reporting on management’s decision to pause the back-end development of the website project to ensure sound technology strategies with a consistent presence across all platforms. It was anticipated that barring any unforeseen issues the pause would last about three weeks and resolve fundamental foundational issues.

The staff member on the Group Services assignment provided an update, including: the records department meetings held in Zoom to provide My Portal training to area registrars; the ongoing assessment by the Conference Report and Charter Committee regarding A.A. directories and the exploration of alternatives to printed directories; the new draft of the A.A. Service Manual that is being submitted to the 2020 Report and Charter Conference Committee.

A report on the Communications Services department was provided for review. It was reported that as the new department evolves, one of the major challenges in project coordination has been managing requests and tracking multiple projects as they move through to completion. The department is currently developing strategy on clarification of work flow and researching purchase of a media work station. The committee suggested development of a project grid reflecting projects, deadlines, priorities, etc.; along with an attachment providing specificity with respect to roles and scope.

LegitScript/Google Ads progress report: The committee discussed a progress report, draft implementation plan and draft ad language. It was reported that Google is putting a hold on the project pending resolution of requested changes to the aa.org website. These changes are being addressed and it is anticipated that the application will be resubmitted to Google in the near future.

The committee also discussed background provided to inform a broader Seventh Tradition discussion as it relates to Google Ads grants, PSAs and any other “discount/subsidy.” The committee agreed that discussions regarding how to report in-kind contributions need to continue as the question not only impacts the Google ad project, but PSAs and other in-kind contributions as well.

The TCS committee chair also reported on the results of a joint conference call between available members of the TCS committee and trustees on the Public Information committee; notably that the trustees’ Public Information Committee confirmed that they did not want the Google Ads project to be put on hold but, instead needed clarification on how this “in-kind” contribution will be reported out to the Fellowship.

The board approved the following recommendations brought forward by the TCS Committee:

- That A.A.W.S. proceed with Option 2 (“Improve on current A.A. Near You functionality”) before pursuing Option 1 (“Integrate a meeting finder into the website”) and seek input from the broader user community, including local A.A. entities.

- That the 2019 Fourth Quarter reports on G.S.O.’s A.A. website activities and analytics and the 2019 Website Visitors Activity Report and Annual Report on G.S.O.’s Website Activities be forwarded to the trustees’ Public Information Committee.

- That the YouTube progress report (submitted January 30, 2020) be forwarded to the trustees’ Public Information Committee.

- That a revision to the A.A.W.S., Inc. Policy on Posting YouTube Videos, under the sub-heading “Policies for posting,” be changed as follows, from:

3. Any video content approved for posting on aa.org may also be posted on the A.A.W.S. YouTube channel.

to

3. Any video content approved for posting on aa.org be posted on the A.A.W.S. YouTube channel.

- That all relevant General Service Board, A.A. World Services Board and AA Grapevine Board information be included on the aa.org calendar.

## Internal Audit

The committee discussed the A.A.W.S. Emergency Response/Business Continuity Plan, noting that a proposal to develop the plan from a division of Marks Paneth is expected, with specifics forwarded to the committee when they become available.

The committee discussed vendor management topics and generalized criteria for developing a threshold for approval that could provide guidance for which contracts would warrant ongoing legal review and which might not.

It was noted that some of the open 2018 Audit Recommendations regarding Technology Services had been addressed, including the upgrade to Windows 10, laptop and portable device encryption and network/cloud migration and server operations.

It was also noted that a brief executive session of the committee was held and will now become part of the committee's regularly scheduled meetings.

## Additional Activities

*A.A.W.S. Ad Hoc Committee on Pricing, Discounts and Distribution (Delta committee):* The committee will continue its data analysis in collaboration with G.S.O., with additional reporting to follow in March.

The board approved the following recommendation brought forward by the committee:

- That the current 20% pamphlet discount be eliminated, with repricing of all applicable items at the actual selling price (that is, with the 20% discount already applied).

*Review of A.A.W.S. Policy on Publication of Literature (per 2019*

*General Service Conference floor action):* The board approved the following recommendations:

- That the "A.A.W.S. Policy on Publication: Keeping A.A. Literature Current" (as retitled and amended on January 6, 2020) be approved and forwarded to the trustees' Literature Committee.

- That a draft "Proposed A.A.W.S. Policy on Creation of Video" be forwarded to the trustees' Literature Committee.

*Safety service piece:* The board reviewed an updated draft of a proposed service piece on safety being developed by G.S.O. staff. The work is ongoing and additional input was requested to help inform subsequent drafts. It was suggested that information about the service piece could be included in the A.A.W.S. report to the 2020 General Service Conference to continue discussion of this important issue, as well as including it in some form at Regional Forums.

*Eighth Floor Lease and Construction:* Some difficulties were reported with the ongoing construction on the 8th floor that resulted in a stop-work order for asbestos abatement and have pushed the projected move-in date back from March to April. Associated costs with the asbestos abatement are being gathered and will be presented to the board when they become available.

It was also noted that a mistaken date in the minutes of the July 2019 meeting needed to be addressed, necessitating an amendment to the minutes reflecting that the date of the lease for the space on the 8th floor would run concurrent with the lease for G.S.O.'s space on the 11th floor which will expire on 12/31/2025. (The date for the 8th floor lease had mistakenly been noted in the minutes as 12/31/2024.) The amendment was approved.