

Highlights from A.A.W.S.

July 25, 2019

The A.A. World Services Board met on Thursday, July 25, 2019, 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 ERP NetSuite implementation is in its final weeks. The go-live date is the week of August 5, 2019. The systems implementation is the highest overall priority of the organization at this time.

Administrative Services – The Records department staff is making a final push to process as much work as possible before the blackout period related to the transition to the ERP system begins. Area Registrars have been advised that their access to FNV will be temporarily interrupted. FNV will run parallel with the new system until the successor database to FNV, My Portal, has been completed. Training for all internal and external users of My Portal will be conducted.

Information Technology Services – In addition to support of the ERP implementation, the IT Services team continues to improve the connectivity to our hosted servers as well as reducing the number of active servers needed. As a result of the IT Audit, computers and laptops are being upgraded to add hard drive encryption and additional memory as needed.

Archives – From June through mid-July, over 4,000 pieces of paper have been scanned and uploaded to Laserfiche. These include, for example, Conference committee agendas, reports and background; Bill W.'s correspondence; and other significant papers. Additionally, the department has responded to over 750 requests from the Fellowship and others for information.

Human Resources – Training and development has been continuing for many employees with attendance to special courses, training seminars, online training and attendance at specialized professional development conferences and workshops; five people are taking French lessons. Job Descriptions are being updated based on the employee performance reviews. The HR team is working with Grapevine management and the Finance Department to assist in the shared services agreement that is currently being reviewed.

July Travel:

July 12-14: East Central Regional Forum, Detroit MI.

July 14-16: 2020 International Convention site visit, Detroit, MI.

Staff Report

Accessibilities/LIM – The Guidelines on “Sharing the A.A. Message with the Alcoholic who is Deaf or Hard-of-Hearing” and “Accessibility for All Alcoholics” have been updated and should be available soon. The service piece “Serving All Alcoholics” is being updated as well.

Communication Services – Three major projects continue to be the focus of this assignment: website design; development of the A.A.W.S. app, which includes the Meeting Guide platform; and implementation of Google products. Building on the foundation of previous website development, a new project plan, mood board and several iterations of sitemaps have been developed. The test version of the Meeting Guide app was shared with General Service Conference members and user tested with a diverse group of members. In addition, application for LegitScript certification, necessary for participation in the Google AdWords/Grants program, is currently underway.

Conference – The Conference Coordinator facilitated two important post-conference meetings: the Post Conference Sharing Session provides specific insight into what went well at the Conference and what areas have room for improvement; and the Post Conference Implementation Meeting provides the opportunity to ensure that all Advisory Actions and Committee Considerations have been reviewed and that appropriate actions are planned.

C.P.C./Treatment – The staff member on the assignment will be attending an exhibit at the National Association of Black Professionals Conference, staffed by A.A. members from Area 15 in Tampa, FL, and will also attend an exhibit booth at the American Corrections Conference, held in Boston, MA, along with Class A trustee Nancy McCarthy and AA Grapevine Publisher Albin Z.

International Convention – Registration brochures for the Convention are in the final stages of editing and translation before going to the printer for the August mailing. Approximately 350,000 copies of the registration brochure will be mailed to over 65,000 A.A. members, groups and service entities around the world. Registration and housing will open on Monday, September 9, 2019 at 10 a.m. (EDT).

Public Information – The P.I. assignment has been working with Publishing to develop draft “postcard style” service pieces with brief excerpted content about A.A., from A.A. literature

such as “A Brief Guide to A.A.,” “A Newcomer Asks,” and “Frequently Asked Questions.” Meeting Guide app and prominent aa.org information will also be included.

Regional Forums – The East Central Regional Forum was held in Detroit, Michigan July 12 – 14. Work continues for the upcoming forums in the West Central region (August 16-18 in Grand Forks, North Dakota) and Southwest region (October 11-13 in Houston, Texas). Programming for Regional Forums continues to include G.S.O. employees who share A.A.-related information from the office while exposing personnel to the Fellowship and vice versa. Drawings for free AA Grapevine or La Viña subscriptions will be held for first-time attendees and the International Convention skit will be performed at every 2019/2020 forum leading up to the International Convention in July 2020.

Finance

For the six months ended June 30, 2019 revenues were 3.63% higher than budgeted and 3.79% higher than the six months ended June 30, 2018. Operating expenses were 4.15% greater than budgeted and 9.19% more than last year.

In total, unit book and booklet sales have increased from 2018 by 19,938 pieces or (2.36%). This large variance includes 14,074 units sold (English) of Our Great Responsibility.

Actual contributions for the six months ended June 30, 2019 were \$4,002,384, 4.87% higher than budget and 4.87% higher than the six months ended June 30, 2018. Online contributions for the first six months of 2019 amounted to \$438,755. This compared with \$369,066 in 2018, \$333,480 in 2017, 212,908 in 2016, and \$179,449 in 2015. The first six months of 2019 online contributions account for 11.02% of our total contributions.

The following variances were noted for the six months:

The Salary line was \$74,227 (1.93%) less than budget and \$153,470 (4.24%) more than the six months ended June 30, 2019. Professional fees are \$180,414 (100.23%) higher than budget and \$18,685 (5.47%) higher than 2018. These variances are mainly caused by contract reviews being over budget by \$99,010 for the first six months of the year. There are also additional lawyer fees (general counsel) that amount to \$103,408 higher than budget. Contracted Services are over budget by \$369,721 (46.22%) and also \$500,163 (74.70%) over last year. These variances are caused by ERP costs amounting to \$363,048 over budget. Travel, Meetings and Accommodations are \$18,104 (2.26%) higher than budget and \$68,444 compared to last year. Total 2019 GSC expenses are close to budget. The Postage & Express is ahead of budget by \$62,985 due mainly to no catalogue mailing in 2019 though it was budgeted for. Similarly, the Selling Expenses line is also ahead of budget by \$64,684 mainly due to no printing of a new catalogue in 2019 though it was budgeted for.

International Convention: The Talley Management Group provided an update on planning for the 2020 International Convention. No major issues were reported and they have been meeting with key vendors, with some remaining vendor contracts in the final stages of negotiation and language review prior to legal review. Housing is all but finalized

at this point and the Hospitality Suite groups are working to secure their space, with assignments to the coordinators of those groups to come this fall. The registration brochure is complete, with final edits of the housing brochure scheduled for completion in July.

Contributions from Outside Entities: The committee reviewed background material on how some contributions are reported in the financial statements from A.A. entities whose primary purpose is to carry the A.A. message, even if they might also have a secondary purpose, such as International Doctors in A.A. or International Conference of Young People in A.A., with the suggestion that the current method of reporting continue.

Publishing

The committee accepted the Publishing Department report, highlighting the following information:

Gross sales: June gross sales are below budget with actual gross sales at \$1,041,284, which is a \$40,337 or 3.73% negative variance against budget of \$1,081,621.

Web sales: Total web sales (A.A.W.S. Online Bookstores) for June stand at \$703,737, which accounts for about 68.78% of total sales for the company. Total online orders for June are 1,530, which is 72.31% of total orders. Sales on the B2B online store (primarily Intergroup/Central Offices and other bulk orders) for June are \$471,787 and B2C sales (individual customers) stand at \$231,950.

Digital books: Total ebook gross sales through June 2019 stand at \$106,149, with 26,173 units distributed.

Our Great Responsibility: A Selection of Bill W's General Service Conference Talks, 1951-1971: Official publication date was May 7, 2019. Total sales as of July 18, 2019: 21,249 (17,716 copies, English; 1,583 copies, French; 1,950 copies, Spanish).

ERP final preparation and implementation: The Publishing department has been fully engaged in the necessary preparations for the systems shutdown, cut-over and launch, including final data migration, verification, and user acceptance testing, with more than 125 business processes affecting Publishing that will be activated in the new system.

Translations summary: *Alcoholics Anonymous* is available in 71 languages, with 23 languages pending and 16 new translations in progress, along with 5 revisions/retranslations. Twelve Steps and Twelve Traditions is available in 48 languages, with pending translation in Arabic and a revised Czech translation. Daily Reflections is available in 34 languages.

Audiobooks Update – Big Book, “Twelve and Twelve” and Living Sober: English and Spanish audio revisions are complete/approved. French audiobook files are in Editorial review.

American Sign Language Update – Big Book and “Twelve and Twelve” videos: Revised videos with updated closed captioning are in review. Audios being updated with the approved audio files from the audiobooks recordings.

Twelve Concepts for World Service Audio project – English, French and Spanish versions are approved and are in post-production for placing on aa.org.

The Young People’s Video is now titled “Young and Sober in A.A.: From Drinking to Recovery” – Subtitles for the English, French and Spanish versions are complete and additional production work is underway.

The Board approved the following recommendation brought forward by the Publishing Committee:

- That the DVD videos of the American Sign Language (ASL) editions of *Alcoholics Anonymous* and *Twelve Steps and Twelve Traditions* be priced at \$10.00 each.

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.

The committee reviewed the TCS Composition, Scope and Procedure and approved it as amended.

Reports were given by the director of IT Services and the Group Services assignment. The director of IT Services noted that the ERP Project is in its final weeks. Employees are working on final User Acceptance Testing and data migration is being loaded. Continuing upgrades are being made to computers and laptops for Windows v10 and to add hard drive encryption to all. In addition, solid state drives and additional memory will be installed in those computers that require them.

The staff member on the Group Services assignment reported that a number of service pieces have been updated. The scheduled call with the representatives of the Intergroup/Central Office/A.A.W.S./AAGV Seminar took place in early July and updates on ERP and the Meeting Guide App were reported along with a review of the Advisory Actions from the 69th General Service Conference. It was noted that there is an ongoing urgency to the discussions regarding discounts and other sales/shipping/pricing issues, as many Intergroup/Central Offices are struggling with finances in order to continue their important work of carrying the message at the local level.

A report was provided by the Communication Services coordinator summarizing website design and app progress over the last few months. The committee reviewed and discussed a YouTube progress report and a LegitScript/Google Ads progress report.

The Board approved the following recommendation brought forward by the TCS Committee:

- That the 2019 Second Quarter reports on G.S.O.’s A.A. website activities and analytics from April through June 2019 be forwarded to the trustees’ Committee on Public Information as presented.

Internal Audit

The committee reviewed 33 recommendations from the 2018 Audit conducted by Marks Paneth covering both Financial and IT issues.

The committee received an overview of the A.A.W.S. Emergency Response-Business Continuity Plan and agreed that instituting a new plan is a priority. A project manager has been contracted for this service.

The committee noted that our legal advisor is creating an overall privacy policy for A.A.W.S., AA Grapevine and the General Service Board. Once the privacy policy is in place, the committee will focus on implementing an audit program focused on privacy.

Additional Activities

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 reflected sharing garnered at the 2019 General Service Conference. Additional input was requested to help inform subsequent drafts.

The board received a report from Deborah K. on the joint meeting between A.A.W.S. and Grapevine that took place during the 2019 General Service Conference. Deborah noted a number of areas of discussion: Joint collaboration opportunities with staff and service desks; unified ordering; ERP; shared governance regarding online sales, YouTube, apps, etc.

BOARD RESOLUTIONS:

A.A.W.S. resolution to trustees’ Finance and Budgetary Committee (July 25, 2019):

It was recommended that A.A. World Services, Inc. request an amount not to exceed \$1 million for capital improvements (i.e., renovations and/or asbestos abatement at 475 Riverside Drive) to be drawn from either the Reserve Fund or the General Fund.

Recommendation passed unanimously and will be forwarded to trustees’ Finance and Budgetary Committee.

A.A.W.S., Inc. Board resolution regarding 8th floor lease:

It was recommended that the A.A. World Services, Inc. Board of Directors authorize the general manager to sign the lease for additional floor space at 475 Riverside Drive (effective September 1, 2019 through December 31, 2024, concurrent with the existing 11th floor lease) contingent upon approval by the General Service Board for the requested capital funds for renovation and/or asbestos abatement.

Recommendation passed unanimously and will be held, pending action by the General Service Board.