

AREA 26 FINANCIAL GUIDELINES

REFERENCES:

- a. *MG-15 AA Guidelines on Finance*. AA World Services, Inc., 2022.
- b. *F-96 The AA Group Treasurer*. AA World Services, Inc., 2023.
- c. *F-3 Where Money and Spirituality Mix*. AA World Services, Inc., 2023.
- d. *Twelve Steps and Twelve Traditions*. AA World Services, Inc., New York. 1981.
- e. *The AA Service Manual*. AA World Services, Inc., New York. 2021.

PURPOSE: These guidelines intend to capture general procedures, recommendations, and advice for conducting financial operations, which enable Area 26 of Alcoholics Anonymous to fulfill its primary purpose of carrying the AA message to alcoholics who still suffer.

*Anything regarding Area 26 fiscal policy not specifically covered in these Financial Guidelines should be submitted to the Finance Committee for consideration. Stakeholders who foresee any extraordinary expenses outside of routine business should approach the Treasurer with necessary information and research for consideration. The stakeholder may be required to brief the Finance Committee on the nature of the unforeseen expense required (\$ ceiling), approval of the potential expense may need to go before the Area body.

BACKGROUND: The Seventh Tradition of Alcoholics Anonymous states, *“Every AA group ought to be fully self-supporting, declining outside contributions.”*

1. RESPONSIBILITIES:

a. Area 26 Finance Committee

- i. Membership: Finance Committee will consist of a Chair (Alternate Delegate), an Alternate Chair, the Area Treasurer and Alternate Treasurer and three (3) designated DCM's. Other Area 26 members who have an interest in the financial fitness of Area 26 are welcome to attend meetings of the Finance Committee.
- ii. Purpose: The Finance Committee should be mindful stewards of the Area's financial needs and resources and will handle all inquiries concerning interpretation of or modification to these financial guidelines (the prudent reserve, the operational fund, and any excess funds). The Finance Committee will have responsibility for the following:
 1. Use available means of communication to advise groups of their 7th Tradition opportunities
 2. Prepare the Area 26 proposed budget in collaboration with other committee chairs for the following fiscal year

3. A minimum of three committee members (at least two Area Officers) shall review quarterly Treasurer's Reports, keeping in mind the needs of Area 26 to ensure a healthy and practical financial status
4. Review the financial records of the "Pink Can Fund" account provided by the Corrections Committee Treasurer to the Finance Committee.

b. Chairperson of Area 26 Finance Committee

- i. The Chairperson (Area 26 Alternate Delegate) will be responsible for preparing agendas and distribution of financial information to the Finance Committee. The Chairperson communicates the status of financial health of Area 26, including any significant financial issues that may arise, and presents the proposed fiscal budget and all unbudgeted requests to the Area 26 Assembly.

c. Area 26 Treasurer

- i. The Treasurer prepares and reports all financial statements to the Finance Committee and Area 26 Assembly. The Treasurer will be responsible for the management of the Area 26 finances, including:
 1. Prudent Reserve: maintain a prudent reserve of \$10,000 for Area 26.
 2. Operating Fund: subject to normal business fluctuations, maintain an operating fund balance-to meet current and expected Area expenses (i.e. expenses of officers, standing committees, and other approved expenses.)
- ii. Prepare a quarterly report showing bank account balance and activity, including a listing of each Group contribution. Provide copies of this report at each Area Committee meeting for all Officers, DCMs and Standing Committee Chairpersons, plus interested GSRs and Past Delegates attending the Quarterly Area Meeting.
- iii. Reimburse all Area Officers and Standing Committee Chairpersons for expenses incurred when participating in AA Service Activities directly related to his or her Committee and/or Office as outlined in 3b.
- iv. The Treasurer will maintain a post office box to receive Group contributions; a duplicate key should be held by the Alternate Treasurer in the event of any emergency.
- v. Maintain the tax exempt status of Area 26
- vi. Outgoing Treasurers will pass current records on to the next treasurer. All records from previous Treasurers older than the current and immediate past panel will be sent to the Area 26 Archives. Outgoing Treasurers should also ensure that incoming Treasurer and Alternate Treasurers receive appropriate training for their corresponding positions.

d. Area 26 Alternate Treasurer

- i. The Alternate Treasurer will assist the Treasurer with any requested duties and will be prepared to fulfill Treasurer duties if required.

e. Designated DCM members of Area 26 Financial Committee

- i. Three (3) districts are pulled from the hat at the beginning of each panel. The DCM's of those 3 districts are asked if they are willing to serve. Once 3 DCM's have stated their willingness to serve, they are included as designated members of the Area 26 Finance Committee. Other duties and responsibilities may be delegated as required from time to time.

f. Area 26 Officers

- i. The Area 26 Officers are the custodians of funds provided and should show extreme diligence and prudence in spending these funds. They should be able to assure the membership that maximum return is being obtained for the monies expended. Area 26 Officers will be accountable for participating in the annual budget process as outlined in these Guidelines.

2. GUIDELINES FOR INCOME:

a. General

- i. Area 26 will accept contributions only from individual AA members, groups, or other AA entities within Area 26 (Districts, Conventions, Intergroups) not to exceed current GSO contribution limits.
- ii. Each quarter, at least three members of the Area 26 Finance Committee will review the bank statements and financial records up to and including past quarter end balance to ensure that there is no significant error in the financial statement of Area 26 operational funds.

b. Methods of Making Contributions

- i. Groups shall make Seventh Tradition Contributions payable to [Area 26 Operating Account #] either in cash, check or via PayPal
- ii. A receipt will be provided to each Group for contributions received in person or by mail. Virtual receipt provided via PayPal
- iii. Copies of these contributions will be kept on file for a period of 7 years.
- iv. The treasurer will make Area 26 address labels available for group(s) to facilitate group contributions
- v. In line with limits established by the General Service Conference for individual contributions, currently not more than five thousand dollars (\$5,000) per year may be contributed by members of A.A

c. No earmarked contributions or separate accounts

- i. Area 26 cannot accept contributions earmarked for a specific project or service with the exception of the "Pink Can Fund".
- ii. No standing committee shall maintain a separate bank account with the exception of the Corrections Committee "Pink Can Fund".

3. GUIDELINES FOR EXPENSES AND OUTLAYS:

a. Expense Management

- i. Reasonable expenses incurred by Area Officers and Area Committee Chairs in the course of Area business as provided for in these Guidelines will be fully reimbursed.
- ii. Receipts are required for any expenses of \$25 and above, and copies will be kept on file for a period of 7 years.
- iii. The Treasurer will pay all bills within 30 days of the receipt of an invoice.
- iv. Upon request, the Treasurer may advance all Officers and Standing Committee Chairpersons (including Delegate and Alternate Delegate) up to \$200 for the purpose of carrying out responsibilities of the positions.
- v. On December 1st of each year, the Treasurer will review expected expenses of the next 30 days and identify funds exceeding \$20,000 less those anticipated December expenses. Area 26 will then observe a six-month period for review of those identified funds, followed by a second six-month period to formulate actions to adjust the fund balance back to or below \$20,000. If after the 2 six-month periods, those excess funds still have not been allocated, they will be identified as having 'no stated AA purpose' and be sent directly to the General Service Board of Alcoholics Anonymous.
- vi. In the first quarter of each year, the Treasurer will send GSO the requested amount to cover Area 26 Delegate attendance and participation in the General Service Conference.
- vii. The Bank Signature Card for the Area 26 account will contain the following signatures:
 - A. Treasurer
 - B. Secretary
 - C. Chairperson

*Two signatures are required for all checks of \$500 and above.

b. Reimbursement of travel expenses for Area Officers and Committee Chairs

- i. Transportation expenses:
 1. reimbursement will be at the rate of 50% of the federal business mileage rate published at IRS.gov, rounded to the nearest cent (carpooling encouraged). Transportation expenses are limited to the amount equal to mileage by car or economy airfare, whichever is lower.
 2. Long-term parking at airports and /or hotels for service events only
 3. Ground transportation (i.e. taxi, train, bus fare or tolls) for service events only
- ii. Registration fees:
 1. Except where otherwise noted, registration fees incurred when participating in AA Service Activities directly related to his or her Committee and/or Office will be reimbursed.
- iii. Lodging:
 1. Area officers and standing committee chairs will be reimbursed for one night-when participating in AA Service Activities directly related to his or her Committee and/or Office, including:

- a. Area 26 Quarterly meetings and assemblies
- b. Lodging reimbursement for Chairperson, Alternate Chairperson and Secretary for two nights, even when travel distance is under 100 miles one-way.
- c. Workshops within Area 26 (maximum of one night)
- d. Southeast Regional Forum (every other year) (up to 2 nights)
- e. Southern States Alcoholics Anonymous Service Assembly (SSAASA) (every other year) (up to 2 nights)
- f. Annually, the Delegate, Alternate Delegate, and Past Delegate of the previous panel will be reimbursed for the Southeast Regional Delegates Get-Together
- g. Additionally, the Delegate will be reimbursed for:
 - i. International Convention - up to 3 nights (held once every 5 years)
 - ii. Kentucky State Convention - up to 2 nights

c. Technology Committee Chair & Tech Committee Member

- i. The Treasurer will reimburse two nights stay plus mileage for the Technology Committee Chair and one Technology Committee Member as identified by the Technology Committee for the purpose of setting up equipment for hybrid Area 26 business.
- ii. The reimbursement for the Tech Committee Member will only be to the extent that the member is not already reimbursed by a service entity.

d. Alternate Treasurer & Alternate Secretary

- i. The Treasurer may reimburse the alternate secretary and alternate treasurer for up to two (2) Area Meetings/Assemblies per service term for the purpose of in-person training in the responsibilities of their respective positions according to the Area 26 financial guidelines when their attendance is requested. The two training sessions will be determined by currently serving secretary and treasurer with their respective alternates.
- ii. The expense report for the reimbursement will require the signature of the currently serving secretary or treasurer providing the training.
- iii. The reimbursement for the alternates will only be to the extent that the member is not already reimbursed by a service entity.

e. Reimbursement of Supplies and Services

- i. Postage and printing costs for Area 26 business
- ii. Office supplies for Area 26 business
- iii. Literature to be used for workshops within Area 26 (Note: this is not intended to be used for the purpose of furnishing individuals, institutions, Districts or Groups literature at Area 26 expense).
- iv. The Technology Committee Chairperson may utilize TechSoup to purchase and maintain needed technology services for Area 26.

f. Meeting Space Costs

- i. The Treasurer will reimburse the Hosting District for each Area Committee/Assembly up to \$5,000 for the following expenses:
 1. Rental of the facilities
 - a. If the facility requires a deposit prior to the event and the District does not have funds to cover the deposit, the Area will advance those funds to the District
 2. Coffee, coffee related expenses (for example: cups, plates, napkins, condiments), and breakfast snacks (for example: donuts, fruit) for Saturday morning.
 3. Auxiliary space for Area business. (i.e. Committee Meeting Space)

g. Ad Hoc Committees:

- i. The Treasurer will reimburse all Ad hoc Committees for the following expenses:
 - A. Mileage
 - B. Meeting space
 - C. Printing costs

4. BUDGET PLANNING, PREPARATION AND EXECUTION:

- a.** Area 26 will, as much as reasonably possible, conduct its business through the use of budgets.
- b.** The Finance Committee Chairperson will have primary responsibility for preparation of the annual Area 26 budget. Individual budgets are to be prepared by Area 26 Officers and Committee Chairs for their positions. In election years, the incoming Officers and Committee Chairs shall prepare their budgets in consultation with the outgoing Officers and Committee Chairs. The proposed budgets are to be submitted to the Area 26 Finance Committee Chairperson or their delegate. Budgets must include all anticipated expenses for the coming fiscal years, such as literature, printing, mileage, lodging, event expenses.