

# Highlights From A.A.W.S.

January 26, 2017

The A.A. World Services Board met on Thursday, January 26, 2017, at the General Service Office, 475 Riverside Drive, New York, NY. Chair of the A.A.W.S. Board, Bill N. welcomed all in attendance and opened the meeting with a moment of silence in memory of Joe D., former A.A.W.S. Board chair. Due to Joe's death, Bill noted the Board's approval during a December 9, 2016 conference call of a new slate of officers for A.A.W.S.

## GENERAL MANAGER'S REPORT

General manager Greg T., reported on the following:

*Information Technology* – IT manager, Cynthia Garippa (nonalcoholic), is working to secure new IT contracts and rewrite existing ones. Additionally, a database administrator position will be added to the IT team to improve/consolidate databases and dashboards allowing less reliance on outside consultants and hosted companies.

*Administrative Services* – The Records Department began the process of adding Panel 67 area officers and committee chairs from 48 different areas. A total of 2,520 people visited the office in 2016 and 24 large group tours were accommodated. Throughout the past year, over 10,000 pieces of correspondence were filed, with the majority of the documents coming from staff and the intellectual properties administrator.

*Archives* – Archives finished up 2016 with approximately 1,450 requests for information and research, compared to 1,300 in 2015. In the coming months, the department will begin to retrieve records temporarily stored off-site, appraise these records and determine final disposition.

*Human Resources* – Several temporary employees recently became full-time employees; ongoing recruitment continues for a number of open positions; and several promotions and organizational changes took place in December and early January. Performance reviews are underway throughout the organization and work has begun on merit salary reviews. Based on the results of the A.A.W.S. Compensation Survey, we processed adjustments for employees whose compensation was more than 10% below market mediums. The Employee Satisfaction Survey was approved and distributed, with results to be reported at a subsequent Board meeting.

*Co-location Update* – A.A. Grapevine staff has been co-located with A.A.W.S./G.S.O. for one year. The general manager and the executive editor/publisher meet regularly to discuss in detail issues of mutual concern and opportunities to share resources. Both executives are committed to making further improvements in this strong cooperative relationship.

### December, January Travel:

*December 2-4, 2016:* G.M/G.S.O. and GV staff attended Southeast Regional Forum, Orlando, FL.

*January 5-8, 2017:* Area Assembly, Sarasota, FL.

## STAFF REPORT

A total of 57 proposed agenda items were received by the Conference assignment by the December 15 deadline; the assignment of Panel 67 delegates to Conference Committees took place on December 9; and preparations have been underway to welcome Conference committee chairs and the delegate chair for an orientation prior to the January Board weekend. (Note: following the January General Service Board meeting and review by the trustees' Committee on the Conference, the number of agenda items grew to 92.) The Group Services assignment has been updating service material and A.A. Guidelines as part of their regular review. The Literature assignment continues to support the subcommittee for the revision of the pamphlet "Young People and A.A." and the subcommittee on "Safety in A.A." The Nominating assignment has been assisting in the preparation of slates of officers for the G.S.B and directors for A.A.W.S. and A.A. Grapevine, as well as preparation and editing of resumes of regional and trustee-at-large candidates for committee and Conference background. The newly translated video P.S.A. "I Have Hope" is scheduled for release in January 2017 and upon release, the P.I. assignment will send an announcement to delegates and P.I. chairs encouraging them to contact their local broadcasters. According to the Regional Forums assignment, attendance at the four 2016 Regional Forums plus one Additional Forum was 1,804, including 1,077 first-time attendees. The search for an A.C.M. for the trustees' Treatment and Accessibilities Committee continues, with numerous completed applications and a flow of requests for information.

## TECHNOLOGY / COMMUNICATION / SERVICES

The committee reviewed a report on G.S.O.'s A.A. website analytics from October-December 2016 and a report on 2016 visits to G.S.O.'s website. The committee **recommended** that the 2016 Fourth Quarter Report on G.S.O.'s A.A. Website Activities and the 2016 Annual Report on G.S.O.'s A.A. Website Activities be forwarded to the trustees' Committee on Public information, along with the 2016 G.S.O. A.A. Website Visitors Activity Report. The Board **approved** these recommendations.

The committee also received a presentation on the redesign of both the desktop and mobile home pages of aa.org. The redesign was endorsed by the committee and is scheduled to go live in mid-February.

The committee discussed the pending period for new groups and agreed to include information clarifying the purpose of the pending period in the A.A.W.S. Board report to the 2017 General Service Conference. The committee also received a verbal report proposing that the subcommittee looking into additional channels of communication with the Fellowship consider development of an app for G.S.O. that would be independent of, yet compatible with, the development of the G.S.O. website redesign project. The subcommittee will prepare a progress report for a subsequent meeting.

## PUBLISHING

*Gross sales:* December gross sales are under budget with actual gross sales at \$1,005,674, which is a \$204,387 or 16.89% negative variance against budget. For 2016 through the month of December, gross sales are under estimate: \$13,502,905 actual sales vs. estimate of \$13,707,484, which is a \$204,579 or .15% negative variance.

*Web sales:* Total web sales (A.A.W.S. Online Bookstores) for December 2016 stand at \$631,577, which accounts for about 69.39% of total sales for the company. Sales on the B2B online store (primarily

Intergroup/Central Offices and other bulk orders) for December are \$449,764 and B2C sales (individual customers) stand at \$181,813.

*Digital books:* Total eBook gross sales for January through December 2016 stand at \$227,611 with 58,277 units distributed.

*A.A. History Shelf – Holiday Gift Set (four-volumes) offer:* As of end of December 2016, 1,169 sets have been ordered (English: 1,101; French: 26; and Spanish: 42), with \$35,070 gross sales and 4,676 total individual books distributed.

*International licensing and translation:* For the period January-December 2016, the international Translations and Licensing Department saw an uptick in all measures of activity over the same period 2015. *Alcoholics Anonymous* is now available in 69 approved translations. Thirty-three languages are printed and distributed by A.A.W.S., Inc., and 37 languages are licensed to be printed and distributed by local entities abroad (with 22 printed by both A.A.W.S., Inc. and international A.A. entities).

The Publishing Department gave a visual presentation of the improved eBook feature now available through all of our distributors. It was the general consensus of the committee to proceed with present improvements and that research and discussion should continue regarding further improvements (i.e., page numbers that correlate with the text).

The committee considered a proposed strategic approach (including marketing, availability, translations) with respect to the audiobooks project. The committee **recommended** that the Publishing Department proceed with the audiobooks program as presented in the proposed 3-phase strategic plan. The recommendation was **approved**.

The committee also **recommended** that G.S.O. management develop a written policy regarding our accounts receivable and terms of sale, and that the policy be communicated to A.A. members and service entities in an easily accessible manner, including aa.org. The recommendation was **approved**.

It was also **recommended** that G.S.O. management develop a system wherein significant deviations from normal accounts receivable and terms of sale policy, such as extended terms for very large purchases or lines of credit granted to foreign G.S.O.s, be reported to the A.A.W.S. Board of Directors for their awareness and possible approval. The recommendation was **approved**.

## FINANCE

The G.S.O. twelve-month unaudited financial report revealed that net sales of \$13,189,258 were \$283,226 or 2.10% less than budget and \$699,825 more than the twelve months ended December 31, 2015. Total expenses for the year of \$15,415,815 were \$718,660 less than budget and \$296,476 more than 2015. It was noted that most expense lines have been running below budget most of the year, with “total people costs” \$581,232 less than budgeted and travel expenses \$162,703 less than budgeted as well.

Contributions of \$7,154,146, were \$834,869 more than budgeted and \$780,724 greater than 2015. The unaudited result for the year ended December 31, 2016 was an excess of revenue over expenses of \$1,464,625 compared with a budgeted loss of \$26,690 and the 2015 excess of revenue over expenses of \$205,625.

The committee **recommended** that the budget for 2017, reflecting gross sales of \$13,750,000 and a bottom line profit of \$397,798, be forwarded to the trustees' Finance Committee. The committee also **recommended** that going forward the general manager insure that all new agreements and contracts with vendors and sub-contractors have a confidentiality clause contained within the agreement; and that for current vendors and sub-contractors, the general manager insure that a confidentiality clause exists or is executed. The recommendations were **approved**.

Additionally, the committee received a report concerning ways to present IT costs as a separate schedule or supplement to the usual financial statements. A brief discussion also ensued in light of the significant profit this year, with the suggestion that during 2017 a large transfer to the Pension Plan be made so as to manage the overall balance of the Reserve Fund. It was noted also that online "Recurring Contributions" are increasing, with roughly 600 participants at the end of 2016. The committee also discussed attendance by A.A.W.S. directors at a wide range of A.A. events where members not typically involved in the "service structure" could become informed about G.S.O./A.A.W.S. and the services they provide, with the hope that attendance at such events could be increased in 2017.

### **ADDITIONAL TOPICS**

The Board discussed a report from the Audit subcommittee, which met prior to the meeting to delineate elements of its scope. The following items should be considered: financial reporting, internal control and direct reporting of human resources. It was decided the committee would include Richard P. as chair, with Beau B., David N. and Homer M. as members.

The Board also discussed concerns raised about the French translation of the 2016 Conference *Final Report*, as well *The A.A. Service Manual*, and the general manager and publishing director agreed to make this subject a high priority and to communicate back to the Board regarding solutions going forward.

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