

# Highlights from A.A.W.S.

January 24, 2019

The A.A. World Services Board met on Thursday, January 24, 2019, at the Crowne Plaza Times Square hotel. Chair of the A.A.W.S. Board, David N., 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* – A verbal update was presented on the following items and issues: ERP implementation; strategic communications plan; website and app design and development; GSO staff recruitment for two open positions; *Box 4-5-9* article responses and follow-up. These items continue to carry a high priority and ongoing progress will be reported to the board.

Office space and room for expansion continue to be a challenge; the conversion of some single-person offices to two-person offices is underway, along with exploration of the possibility of utilizing additional space in the building.

*Administrative Services* – Records staff has updated files to reflect area rotation of service positions for 2019. The RFP process seeking new venues for meetings of the General Service Board/AA Grapevine, Inc./A.A. World Services, Inc. and the General Service Conference is now concluding, with the possibility of adding an additional venue for meetings and events for 2019 and 2020, including the 2021 and 2022 Conferences.

*Archives* – In 2018, Archives staff responded to approximately 1,600 requests for information and research and accessioned over 375 new items. Projects for 2019 include digitizing Bill W.'s personal collection of unpublished correspondence; scanning past trustee correspondence and conference committee background; organizing, filing and digitizing historical materials from the 1950s and 1960s, originally set aside by Nell Wing. There is also a plan to add new content to the Archives section of the G.S.O. A.A. website, including new digital exhibits, excerpts of audio recordings and the Timeline.

*Human Resources* – The open enrollment period for medical, vision and dental benefits started on January 1, 2019. The process was conducted for the first time through G.S.O.'s internal HRIS system, Paylocity. Starting in 2019, AA Grapevine employees are enrolled into the same medical insurance contract as A.A.W.S. employees. This change was implemented for compliance as well as to streamline the administration of benefits for AA Grapevine employees. Additionally, the HR Department is in process of setting up the Performance Review module in Paylocity.

*Information Technology Services* – Process walkthroughs are complete for most of the modules relative to the ERP and user

acceptance testing has begun, pending completion of full data migration. The I.T. team continues to improve connectivity to the hosted servers as well as reducing the number of active servers needed. The Conference tab of the dashboard was completely rewritten and documents are being posted. All Conference delegates were given their new credentials. The director completed policies and procedures and a Security Awareness policy to comply with the GAP Assessment performed last year and will be circulating them to all employees. A permanent help desk technician was hired.

### January Travel:

January 18-19: Area 61 Assembly, Warwick, RI.

## Staff Report

*Accessibilities/LIM* – Two subcommittees (one on Deaf and Hard-of-Hearing and one on cooperation with the Armed Services) have completed their work.

*Communications Services* – New videos, video descriptions, tags, key words and translations are being developed and added to the YouTube channel. Analytics are also being developed to measure the effectiveness of the channel. Research has begun to identify an app vendor capable of developing components for our licensed Meeting Guide.

*Conference* – The Conference Communications Kit was posted to the Conference Dashboard and made available to all Conference members starting January 2, 2019. The inaugural Board-requested January conference calls to obtain feedback on proposed agenda items were held with Conference committees. Notes from the sharing on the calls will be brought to the trustees' committee meetings for continued discussion.

*C.P.C./Treatment* – The C.P.C. assignment has begun to contact local committees about their availability to staff the traveling A.A. exhibits at national professional conferences in their area; 35 exhibit locations are scheduled in 2019.

*Corrections* – The Winter 2018 edition of "Sharing from Behind the Walls" was mailed in English, French and Spanish.

*Group Services* – The Group Handbook has recently been updated and is being reprinted.

*International* – The International Trip Consultation Team met in December to review trip invitations received to date for 2019. Preparations on the 25th World Service Meeting Final

Report and the anonymity-protected version are on schedule for distribution in late February.

*International Convention* – Preparation is ongoing for informational flyers and Convention registration forms for a Summer 2019 mailing. An animated 2020 International Convention video flyer is in final editing and will soon be available for download through G.S.O.’s website. Registration and housing will open in September and, as in the past, members will be able to register online.

*Literature* – Forty-six submissions were received for the pamphlet on A.A.’s Three Legacies and 59 submissions were received for the pamphlet for Spanish-speaking women in A.A. The Winter 2018 issue of *Box 4-5-9* has been published in English, French and Spanish, with quarterly distribution of 65,999 copies in English, 1,624 copies in French and 3,204 copies in Spanish. In addition, there are 13,928 English, 542 French and 1,114 Spanish subscribers to the digital delivery service.

*Public Information* – The new PSA “Changes” has been added to aa.org.

*Regional Forums* – Materials regarding Special Forums (implementation to begin 2021) will be available and distributed at the 2019 General Service Conference.

## Finance

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. Plans continue regarding housing, Al-Anon participation, hospitality, registration and other matters. Regarding the budget, while some funds have been reallocated to more accurately reflect the budget categories into which they would most appropriately fall, Talley does not see any significant changes to the financial plan.

The board accepted the report of the Finance Committee, highlighting the following information:

For the year ended December 31, 2018 revenues were 2.16% higher than budgeted and .37% higher than the year ended December 31, 2017. Operating expenses were 2.50% greater than budgeted and 8.56% more than last year.

Actual contributions for the year ended December 31, 2018 were \$8,384,721, 2.25% higher than budget and 0.29% lower than 2017. Online contributions for the year of 2018 amounted to \$878,333. This compares with \$803,909 in 2017, \$565,885 in 2016, \$434,274 in 2015, and \$343,208 in 2014. In 2018 online contributions accounted for 10.57% of total contributions.

The following variances were noted for the twelve months:

The Salary line is \$202,670 (2.82%) more than budget and \$756,336 (11.41%) more than the year ended December 31, 2017. Part of the variance to budget is due to several more positions in the year of 2018 compared to last year.

The Other Program Printing expenses are \$72,325 less than last year and \$79,462 less than budget. Mailing and

Labor were down by \$12,216 when compared to last year. Postage was down by \$89,142 mainly caused by a catalog being printed and sent out last year.

The Editorial Services line is higher in 2018 compared to 2017 by \$97,010 due to the ASL project taking place in the beginning of this year. Selling expenses are less than last year by \$321,316 mainly caused by the catalog being printed last year and \$250,000 of this savings is caused by less credit card processing fees.

Professional fees are \$15,820 higher than budget and \$140,237 lower than 2017. The \$135,000 settlement for the manuscript case is the reason we were over budget in 2018.

Contracted Services are over budget by \$333,245 and over last year by \$378,627. This is mainly caused by expensing \$554,840 of ERP costs in 2018 (rather than pre-paying these expenses).

Office Services expense is \$74,679 (20.65%) higher than budget and \$145,423 (49.98%) higher than last year. These variances are mainly due to the Conference audio-visual costs being higher this year as opposed to last year.

Travel, Meals and Accommodations are \$433,973 (50.62%) over last year. This is because the Conference was held in Rye last year and in New York City this year and the World Service Meeting being held this year.

*Self-Support:* the committee discussed developing a Seventh Tradition impact report which could include stories about people who have benefited from A.A. services that are funded by contributions.

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

- That the budget for 2019, which reflects gross sales of \$15,000,000 and a bottom line profit of \$501,221, be approved by the A.A.W.S. Board.
- That a Seventh Tradition summary communication illustrating the link between membership contributions and efforts to carry the A.A. message be developed and shared quarterly or annually.

## Publishing

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

*Gross sales:* December gross sales are under budget with actual gross sales at \$967,043, which is a \$20,642 or 2.09% negative variance against budget of \$987,685.

*Web sales:* Total web sales (A.A.W.S. Online Bookstores) for December stand at \$611,008 that accounts for about 64.3% of total sales for the company. Total online orders for December are 1,748, which is 89.69% of total orders, this year’s highest percentage. Sales on the B2B online store (primarily Intergroup/Central Offices and other bulk orders) for December are \$423,386, and B2C sales (individual customers) stand at \$187,621.

*Digital books:* Total ebook gross sales for the year ending December 31, 2018 stand at \$215,701, with 55,330 units distributed.

*History Shelf gift sets:* a total of 1,159 sets were sold, with

\$34,770 net sales (representing 4,636 books distributed).

*License renewals:* For the period January through December 2018, international translation and licensing continued to demonstrate a marked uptick of activity compared with the same period in 2017. A notable surge in activity includes renewal licenses issued and new licenses granted to reproduce and distribute items of translated copyrighted literature, with 265 total licenses fully executed in 2018, as compared to 73 in 2017.

*Our Great Responsibility: A Selection of Bill W's General Service Conference Talks, 1951-1971:* Estimated availability of finished books in English, French and Spanish is on track for mid-April 2019. An announcement flyer is in development and an introductory article for *Box 4-5-9* is scheduled for the Spring 2019 issue.

*Update on Digital Distribution:* The committee reviewed and discussed a verbal update on digital distribution including considerations related to vendor negotiations and the availability of digital-based literature for correctional settings.

*Update on Audiobooks Strategic Plan and Continued Project Planning:* The committee discussed strategic planning for audiobooks and requested development of a next phase plan for production of additional pamphlets and books in audio formats.

*Update on Australia:* The committee discussed some recent concerns in Australia including considerations related to effective licensing and distribution policies and practices.

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

- That a proposal to cease development of new literature and focus on making all current literature accessible in all possible formats be forwarded to the trustees' Conference Committee.

## Technology/Communication/Services (TCS)

The TCS 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.

Oral reports were given by the director of I.T. Services and the Group Services assignment. The director of I.T. services noted that multiple departments are in the process of reviewing their testing scripts and there will be heavy testing through the holidays. There have been some concerns with data migration, but through the testing the data gaps are being reconciled.

The staff member on the Group Services assignment reported that a number of A.A. Guidelines are being updated

and a working group has undertaken an in-depth review of the Service Manual as part of the 2018 Advisory Action recommending a comprehensive update/revision of the manual for presentation to the 2020 Conference.

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

- That the 2018 Fourth Quarter Website analytics, 2018 Website Visitors Activity Report, 2018 Fourth Quarter Report on G.S.O.'s A.A. Website Activities and 2018 Annual Report on G.S.O.'s A.A. Website Activities be forwarded to the trustees' Committee on Public Information.

- That the YouTube analytics and progress report be forwarded to the trustees' Committee on Public information.

- That the following proposed General Service Conference agenda item be forwarded to the trustees' Committee on Public information: "That A.A.W.S. and the 2019 General Service Conference consider postponing the launch of the new meeting guide app and conduct a full review of the possible implications of the app initiative for New York Inter-Group and all intergroups in the U.S. and Canada."

## Internal Audit

The committee discussed the RFP process to engage outside counsel to review the Internal Audit Committee's work to date related to the four functional areas of Directors, Finance, Human Resources and Management, and management will work to develop additional RFP responses from at least two more vendors. Information provided by management has been added to the Directors and Management RACI matrices. The committee discussed an update on G.S.O. audits, gap analysis, consultant reviews and policies covering Finance, I.T. Services, Archives and Human Resources.

It was noted that this committee is considered a standing committee of the A.A.W.S. board and should be so designated at a future board meeting.

## 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 additional input was requested to help inform subsequent drafts.

The board discussed preliminary planning for a joint discussion between A.A.W.S. and Grapevine to take place during the 2019 General Service Conference, selecting Deborah K. and Carolyn W. to represent A.A.W.S. in planning efforts for the meeting.