

Highlights from A.A.W.S.

July 31, 2020

The A.A. World Services Board met via videoconference on Friday, July 31, 2020.
Chair of the A.A.W.S. Board, Beau 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 – As has been reported, finances have been seriously impacted by the effects of the pandemic starting in the second half of March, primarily through a dip in literature sales. Contributions have begun to rebound, thanks to a strong commitment of the groups to support the work of the office. A number of communications regarding self-support have been initiated regularly with the Fellowship in the U.S. and Canada and this outreach will continue in the coming months.

The office has been looking ahead to the third and fourth quarters in compiling the next-step budget reforecast that will position GSO for the balance of this year and into 2021. Part of this refocusing is the Voluntary Retirement Incentive Program (VRIP) that has been offered to eligible employees as of August 1. The General Service Board approved the plan at a special meeting on July 16, 2020.

Administrative Services – Regarding a return of the workforce to the office, there is no firm return date as yet. An office-wide survey was implemented recently to evaluate the concerns and questions of all employees, whose safety and security is the number one priority. An internal Return to Work Taskforce has been put in place to develop a draft reentry playbook.

The Meetings, Events and Travel Department is working with the Board Events Working Group to determine the delivery methods and schedules for the balance of this year's board and Regional Forums events.

Archives – From January through mid-July, Archives staff has responded to approximately 600 inquiries for information and research. Archives staff is archiving both internal and external material related to A.A. in the pandemic – news articles in print, video and audio, as well as material related to events and online meetings, public health and sharing from groups.

Human Resources – Human Resources and the organization continue to support employees and their families impacted by COVID-19. In an effort to evaluate and upgrade the human resources capabilities of the office, a thorough assessment of the HR department is underway as the office continues to evolve through this challenging time.

Information Technology Services – Remediation of the core

NetSuite ERP system has been ongoing. Special focused efforts are underway in the areas of Finance (contributions), Services (My Portal) and Publishing (webstore) with strong input and support from vendors, consultants and select workgroups. Technology Services is also participating in the Return to Work Taskforce as there will be a need to supplement GSO's current equipment and/or transition equipment back into GSO from the currently remote workforce.

Staff Report

Accessibilities/LIM – The assignment is updating the pamphlet "A.A. for the Older Alcoholic" and is working with the Communication Services department on creating a Remote Communities Service Committee page on the A.A. website.

Conference – The anonymity-protected online version of the 2020 GSC Final Report in English, French and Spanish was distributed via the Conference Dashboard to all Conference members on July 29th. The print version is scheduled for publication and distribution in August. A videoconference session for all Conference members has been scheduled for August 15th for the General Service Board treasurer to review the audited financial figures for 2019 that were unavailable at the time of the virtual 70th General Service Conference in May.

C.P.C./Treatment – The Summer 2020 edition of *About A.A.* was distributed in May and the desk has prepared a proposal for management exploring potential adjustments to C.P.C. exhibits and other services.

Corrections – A recent Grapevine article drew many new volunteers for the Corrections Correspondence Service and a survey regarding digital literature has been distributed to Corrections committees.

Group Services – The desk is working with staff to develop standard responses to the many inquiries received regarding listing online groups. As a result of the pandemic, an update to Meeting Guide has been approved that supports the display of online meetings for temporary closures and hybrid meetings (meetings still taking place online as well as in-person).

International – The General Service Board U.S./Canada has withdrawn from hosting the 26th World Service Meeting onsite in Rye Brook, NY in October. The option of hosting a virtual meeting is currently being explored. This would re-

quire approval from the WSM.

International Convention – The 2020 IC digital site went live the week of June 29, 2020. As of July 6, over 80,000 individuals had visited the site.

Nominating – There will be a number of 2021 vacancies on the General Service Board – two regional trustees, trustee-at-large/U.S., three Class A trustees, and the chair of the Board. Mailings were sent to trusted servants in the areas involved regarding the regional and trustee-at-large vacancies. All past trustees received notice that there was an opening for the GSB chair position. The pool of Class A candidates was notified of the openings for next year and 16 have responded so far.

Public Information – A vendor has been selected for the development of two new PSAs. Diversity will be a key factor in the casting process. From March to May three press releases were distributed on aa.org’s press/media page, two of which were in response to a high demand of inquiries from journalists regarding A.A. in the age of Covid-19.

Regional Forums – Face-to-face Regional Forums for Western Canada and the Pacific Region have been cancelled. The Southeast regional trustee and delegates notified GSO that they want to hold a virtual regional forum the first weekend in December and this assignment has continued to explore virtual alternatives to Regional Forums. The final voiceover has been completed for the regional forum video project, and the project will be completed by the end of summer.

Additionally, the Regional Forums coordinator provided a summary of staff discussions that have taken place over the last few months on the topic of race and privilege as it relates to the spirit of Tradition Three. “We talked about actions that can be taken at GSO – such as looking at racism as a ‘safety issue’ and revising service material, and concretely addressing gender bias in our literature,” she noted. “Finally, we discussed the critical role our boards play in reflecting diversity and inclusion. It is said that the composition of a board reflects not only an organization’s values but also sends a message as to who should be empowered and entrusted with its most important decisions.” Her full remarks have been made available to all board members.

Finance

Gross Sales for the first six months of 2020 of \$4,918,121 were \$2,623,651 lower than 2019. Gross Profit from literature was \$3,017,890 and represented a 75.00% Gross Profit Percentage.

Contributions for 2020 of \$4,358,338 were \$355,954 greater than 2019. The committee expressed its gratitude to the Fellowship for the continuing Seventh Tradition support.

Total Revenue (gross profit from literature plus contributions) was \$7,376,228 and \$1,559,485 less than 2019.

Total expenses for the six months of 2020 were \$7,645,180. This is \$1,908,167 less than 2019. The decrease in expenses compared to 2019 was mainly due to events being cancelled because of COVID-19. This includes the General Service Conference and Board meetings being held virtually. The Travel, Meals and Accommodations line is \$638,430 lower

than this time last year. Professional fees are \$232,110 for the period ending June 30, 2020 compared to \$360,414 in 2019, a variance of \$128,304. Contracted Services were \$961,098 for the period ending June 30, 2020 which is \$208,623 less than this time last year.

The combination of the above revenues and expenses resulted in GSO reporting a loss of \$268,952 for the first six months of 2020. This loss compares to a loss of \$617,635 in 2019, a variance of \$348,682.

2020 Budget Reforecast 2.0: For the year 2020, the budget has been reforecast due to COVID-19. The revised budget includes actual results from the first two quarters of the year, new sales revenue estimates, decreases in many expense categories as well as estimated severance payments due to the VRIP offer.

There are still many unknowns, though sales have been increasing slightly month by month and a high-water mark for contributions of \$1.1 million for the month of July provide positive signs. There have been some decreases in expenses due to the office operating on a remote basis and cost-cutting efforts will be implemented in the budget categories of Other Program Printing, Contracted Services, Professional Fees and website development. One impact of this will be that a number of the newsletters and publications regularly published by GSO, such as *Box 4-5-9*, *About A.A.*, the *GSB Quarterly Report* and the *LIM* bulletin will be available digitally only through the fourth quarter, saving printing and mailing costs.

2020 International Convention: The convention management company provided a brief recap of financial activities related to unwinding the 2020 International Convention and a review of progress in the settlement of the Convention insurance claim, noting that an advance payment of approximately \$970,000 on the claim has been confirmed by Talley Management.

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

- That the revised GSO budget for the second half of 2020, titled “Reforecast 2.0,” be approved and forwarded to the trustees’ Finance and Budgetary Committee.

Publishing

Print sales: Year to date, gross sales of print items of literature demonstrated a gradual uptick since the dramatic downturn demonstrated in April 2020; however, overall sales year-to-date through June 2020 continued to lag behind sales during the same period of 2019.

Ebook sales: As reported at the June 6, 2020 A.A.W.S. board meeting, ebook sales continue to demonstrate a dramatic increase over the same period in 2019. Gross sales of ebooks April through June 2020 as compared with the same period in 2019 demonstrate an 83% increase in units, an increase year over year for the same period of 9,584 units, and an 81% positive uptick in revenue of \$36,098.

Semi-Annual Licensing and Translations Activity: For the period January-June 2020, international licensing and translations activity has been ongoing. Currently, there are 70 Big Book

translations, with 26 additional languages pending, which includes 21 new translations in progress and 5 revisions/retranslations. There are 50 total languages available of *Twelve Steps and Twelve Traditions*; 37 languages of *Daily Reflections*; 36 languages of *Living Sober*; 19 languages of *Came to Believe*. Additionally, as of June 30, 2020, A.A. items of literature (books, booklets, pamphlets, the Twelve Steps, and so forth) are available in 108 languages worldwide.

Update on Digital Distribution progress: The committee continued discussion on emerging digital distribution channels for A.A. materials within the prison system (U.S. and Canada). The minutes of the June 4, 2020 meeting of the Publishing committee were amended to include a request that the Publishing director include review and effectiveness for distribution channels within the Canadian Penal system as part of the efforts underway to get A.A. literature into prison settings.

A Visual History of Alcoholics Anonymous: An Archival Journey: The revised publication date of the 2020 International Convention souvenir book has been set for February 2021. All printing of this book will be billed in fiscal year 2021 and print runs will be adjusted based on pre-sales indicators.

Technology/Communication/Services (TCS)

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

Verbal reports were provided by the director of Technology Services, the Group Services assignment and the Communication Services department.

Progress reports from the Website Design and App Working Group and Google-for-Nonprofits projects were provided, noting that app usage was down 50% over the last two months, though usage is up in Canada and is starting to trend upwards overall again, with a large amount of through-traffic to local A.A. sites. Communication is developing with the Online Intergroup of A.A. to explore adding online meeting data to the app and other collaborative opportunities.

Over the past few months, work toward implementation of Google Ads has continued, including clarification of the A.A.W.S. privacy policy language. A Floor Action of the 70th General Service Conference referred the launch of Google AdWords Grants and the requested release of the "Ad Hoc Committee Progress Report – Google Grants and the 7th Tradition" to the trustees' General Service Conference

Committee and subsequently the trustees' Public Information Committee. Discussion by the TCS Committee separated out progress toward implementation of Google Analytics, which can be achieved by the office in response to an existing Advisory Action, while awaiting information relative to the discussion at the trustees' Public Information Committee of the Seventh Tradition questions regarding AdWords Grants.

The Board approved the following recommendations brought forward by the TCS Committee in June and July:

- That the 2020 First and Second Quarter reports on A.A.'s website activities and analytics be forwarded to the trustees' Committee on Public Information as presented.
- That the following policy statements be adopted with agreed upon revisions and necessary copyediting: Digital Analytics Policy; Privacy Policy; Meeting Guide Privacy Policy; and A.A.W.S. Cookie Policy.

Internal Audit

The committee reviewed outstanding recommendations from the 2018 Financial and IT Audit and work continues on management responses to these recommendations. One of the elements under consideration is the ongoing process of sunsetting the old Travers system software and database. The Emergency Response-Business Continuity Plan is still in development and will be reported on as progress moves forward. The Human Resources RACI Matrix review is ongoing as well. The committee is looking into drafting a policy for vendor management to review with the board and GSO management for final implementation.

Nominating

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

- That changes to the Composition, Scope and Procedure be approved as follows:
 - Point 2 under Procedure to read: Makes recommendations reached in committee by substantial unanimity.
 - Statement at end to read: Note: The chair of A.A.W.S. Nominating Committee should not be the chair of trustees' Nominating Committee in the same year.
- That Judith Ann Karam, Class A Trustee, serve for the balance of this panel year as director on the A.A. World Services, Inc. Board of Directors.

