

FINANCIAL

GUIDELINES

AREA 76

ALCOHOLICS

ANONYMOUS

NOVEMBER 2008

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SECTION I: SELF-SUPPORT OBJECTIVE

1. The purpose of this document is to promote uniformity and continuity regarding all financial matters in Area 76 Alcoholics Anonymous (hereinafter referred to as Area 76). It is meant to be general in nature. The guiding principles are to be found in the A.A. Service Manual (combined with Twelve Concepts for World Service), the A.A. Financial Guidelines and the Twelve Steps and Twelve Traditions.
2. Area 76 has a primary purpose - ***To carry A.A.'s message of recovery to the still suffering alcoholic.*** In order to meet this primary purpose, the following are of paramount importance:
 - a. To preserve and protect the service structure of Alcoholics Anonymous as a whole so we can be assured that this program will be available to those who follow.
 - b. To provide a means of communication between the groups located within Wyoming and those outside of the state.
3. To accomplish the above objectives, we should have Area Officers and Area Committee Chairs as outlined in the A.A. Service Manual. It necessarily follows, that there must be meetings of the Area Officers, the Area Committees and the Area Assembly. Money should be provided for reimbursement of our trusted servants for the expenses incurred in carrying out the needed services. These expenses may consist of (but are not limited to) travel expenses, materials, supplies and meeting places necessary to carry out these services.
4. The Area Officers are the custodians of the 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. The area funds are to be used judiciously and wisely - for the benefit of the general membership. Above all, we should remember to trust our "Trusted Servants".
5. This document may only be amended by a two-thirds vote of the Area Assembly.

SECTION II: FINANCE COMMITTEE & BUDGET

1. The Finance Committee will consist of a Chair (appointed by the Area Chair), an Alternate Chair (the elected Area Alternate Delegate), the Area Treasurer and at least one District Committee Member. Meetings will be held at each Area Assembly. Additional meetings may be held at Area Conventions, if needed. The Finance Committee Chair will notify committee members (or the District Committee Member, if unknown) 3 weeks in advance of the time, date and place for any meetings other than those at Area Assemblies.
2. The purpose of the Finance Committee is to monitor the Area's financial needs and resources. In addition, the committee will handle all inquiries concerning interpretation of or modification to these financial guidelines. Responsibility for reminding groups of their 7th Tradition opportunities also lies within this committee. This duty includes, but is not limited to, contributing a quarterly "Self-Support Letter" for publication in the Tributary (Area Newsletter).
3. While the responsibility for preparing and distributing the quarterly self-support letter shall reside with the Area Finance Committee, the primary responsibility for soliciting group contributions lies with each trusted servant - in direct proportion to the group conscience that he/she serves. Thus:
 - a. The **General Service Representative** has the key responsibility for informing the group of the need and opportunity to contribute.
 - b. The **District Committee Member** is responsible to ensure that all groups within his/her District are informed of the Area's financial situation as well as the nature of the projects the Area is coordinating.
 - c. The **Area Officers and Area Committee Chairs** are responsible not only for informing the Area of funding needs but also ensuring that the funds are expended prudently and wisely, in adherence with the Area's collective group conscience.
4. A primary function of the Finance Committee is to assist in the preparation of the budget and in the semi-annual review of the Area's financial status. Their goal should be to analyze the data and present recommendations to the Assembly in the interest of conserving precious Assembly time.

5. Area 76 will, as much as reasonably possible, conduct its business through the use of budgets. The primary vehicle of the budgeting process will be an annual budget presented to and approved by the Area Assembly. Changes in an already approved budget can be made by the Area Committee (as defined in the AA Service Manual) with verbal approval of a majority in the event of an emergency or unforeseen expenditure. Such requests must be made in writing to the Area Finance Chair with full justification of the need for a decision prior to the next assembly. Every attempt will be made to respond within 2 weeks.
6. The Area Finance Chair will have primary responsibility for preparation of the annual budget. The Area Chairperson or Area Secretary shall furnish the Finance Committee Chair with a list of all Area Officers and Committee Chairs (with addresses) by November 1st of each year. The Finance Chair shall mail a **Budget Request Form** to each of these individuals by December 1st of each year. These **Budget Request Forms** shall be returned to the Finance Committee Chair by January 1st of each year. The Finance Committee Chair shall compile the annual budget and mail a copy (electronically or by U.S.P.S.) to each Officer and Committee Chair by February 1st. Any revisions or corrections must be submitted to the Finance Committee Chair prior to March 1st for inclusion in the annual budget.
7. These itemized budgets should be realistic listings of the expenses expected to be incurred by the Area Officer or Area Committee Chair in the process of fulfilling their respective duties. They shall be itemized by using the **Budget Request Form** prepared by the Area Treasurer. This itemization will facilitate the subsequent charging of expenses to the budget. The Area Delegate shall be responsible for requesting funds in the yearly budget to reimburse (up to but not exceeding 2) members accompanying him/her to a Regional Forum or Regional Service Conference for the upcoming year. These *ad hoc* servants may obtain "seed money" for the budgeted amount 60 days prior to the event. Complete expense reports will be expected from these individuals as outlined in Section III and should be submitted within 30 days following the event.
8. The proposed Area Budget will be sent to the Area Secretary to be included with the mailing of the agenda for the Spring Business Assembly. It will then be brought before the Area Assembly for its consideration and approval.
9. If, at any time, the Area Treasurer determines that availability of sufficient funds is in question, he/she will inform the Area Finance Chair, who will in turn notify the Area Committee (as defined in the AA Service Manual) of the situation and recommend appropriate action (or inaction).

SECTION III: EXPENSE REIMBURSEMENT

1. Reasonable expenses incurred by the Area Officers and Area Committee Chairs in the course of Area business shall be fully reimbursed. Generally, these expenses will cover the basic duties of the elected or appointed office (travel to Area Assemblies, postage, copying, phone calls, and supplies). Also, expenses to further a project that has been reviewed and recommended by the Finance Committee and approved by the Area Assembly will be fully reimbursed.
2. Any unexpected expense over \$100 should be cleared with the Area Treasurer or the Finance Committee to ensure availability of funds. These special requests will be minimized if allowance for contingencies is included in annual budget requests.
3. At the beginning of his/her term of office, the Area Officers and Area Committee Chairs (with the exception of the Area Delegate) will receive \$250 "seed money" for expenses until the next assembly. The Area Delegate will receive \$400 "seed money". **Expense Reimbursement Forms** will be provided to aid accurate record keeping of expenses incurred while performing their jobs. Reimbursement for reasonable expenses will be made, upon submission of a completed reimbursement form to the Area Treasurer. However, at the end of the servant's term of office, the "seed money" will be deducted from expenses. If a refund is due (seed money exceeded expenses), a check to Area 76 Alcoholics Anonymous should be sent with the report. It is requested that forms be mailed to the Area Treasurer within one month after each Assembly so expenses will be accurately reflected on the Financial Statement. Reimbursement will be mailed, if necessary.

NOTE: Receipts will be required for all expenses.

4. The Finance Committee and the Area Treasurer make the following suggestions to all trusted servants incurring expenses:
 - a. When possible, travel with other trusted servants and share hotel and gas expenses.
 - b. Eat at reasonably prices restaurants.
 - c. When transacting business by telephone, try to call on weekends or at night and confine your conversation to business.
 - d. For wide distribution of information, use the Tributary, if possible.

SECTION IV: TREASURER'S RESPONSIBILITIES

1. All Area funds shall be maintained in bank accounts in the name of Area 76 Alcoholics Anonymous. All expenditures from Area accounts shall require the signature of two of the following officers: Area Chair, Treasurer or Secretary. As a matter of policy, none of these officers shall sign blank checks.
2. If the Operating Fund balance exceeds the limit as authorized according to Section V, the Area Treasurer shall inform the Area Chair. The Area Chair shall inform the Area Committee (as defined in the AA Service Manual) and they shall determine whether and how much money should be transferred into the Reserve Fund.
3. If the Reserve Fund balance also exceeds its authorized limit, or if the desired transfer from the Operating Fund would cause it to do so, the Area Committee (as defined in the AA Service Manual) shall determine how to divide the excess between the Reserve Fund, the Delegate's Fund and contributions to the General Service Office of Alcoholics Anonymous.
4. The Area Treasurer shall, upon receipt of the monthly banking statement, reconcile the Area records to said statement and forward a copy of the reconciliation to the Area Chair and the Area Finance Chair. A trial balance showing all contributions, expenditures and known liabilities of the Area will be sent, also.
5. The Area Treasurer will publish a report for each Area Assembly. This report will consist of a financial statement and a balance sheet. The financial statement will itemize sources of both income and expenses since the last report. Group contributions will be listed separately on the report. The balance sheet will show all fund and bank account balances and outstanding liabilities. He/She should have supporting documentation of accounting available at the Area Assembly in order to help answer questions which may arise.
6. If the Operating Fund is insufficient to pay any debts incurred by the Area, the Area Treasurer shall immediately inform the Area Chair. The funds necessary to cover the amounts due shall be transferred from the Reserve Fund. Payments will be made according to the following priority:
 - a. Vendor Accounts
 - b. Area Delegate's General Service Conference Expenses
 - c. Area Assembly Expenses

- d. Other Area Delegate's Expenses
- e. Area Officers Expenses
- f. Area Committee Chair's Expenses
- g. Area Committee Expenses
- h. Tributary Expenses

The Area Chair shall be the final arbiter in prioritizing outstanding bills for payment.

7. The Area Treasurer shall be responsible for providing those Districts that are hosting an Area Assembly or Convention with the necessary "seed money" along with copies of the Area's **Exemption Letter, Certificate of Exemption Form and Tax Information Instructions.**
8. The Area Treasurer shall be responsible for filing the Area's annual tax return with the Internal Revenue Service. Publication 557 "Tax-Exempt Status for Your Organization" and Publication 4221-PC "Compliance Guide for 501(c)(3) Public Charities" are available from the Internal Revenue Service and provide the necessary information relating to our record keeping and filing requirements.

SECTION V: LIMITATION OF ACCUMULATED FUNDS

1. The Area's Operating Fund shall not exceed one half (1/2) of one year's estimated expenditures. That amount may be amended by the Area Assembly. For the purpose of setting caps on fund balances, Area 76 will round all amounts to the nearest \$500. Also, determination of excess shall be made only after all financial obligations have been identified and accounted for.
2. The Reserve Fund will be kept in a separate, interest bearing account at any branch of the Area's current financial institution. The balance shall not exceed one-third (1/3) of one year's estimated expenditures. This fund will be accumulated by deposits of amounts from the Operating Fund as recommended by the Finance Committee and voted upon by the Area Assembly. This may be brought to the floor without prior notification to groups because the financial data required to make a realistic recommendation would not be available until immediately prior to the Area Assembly. The purpose of this fund is to ensure Area 76 of survival in an emergency. It should be built up as quickly as possible, for when not at its maximum, its value is severely diminished. These funds should never be considered available unless the Area is truly in a state of emergency.
3. A Delegate's Fund will be maintained to defray the substantial costs of travel to the General Service Conference. That amount to be \$1,200 plus 15% (fifteen percent) of the Area's end of year Operating Fund balance, not to exceed the GSO recommended amount.
4. Should the Delegate's Fund reach its limit, disbursement of any excess funds will be determined by the Area Assembly.

SECTION VI: TAX INFORMATION

FEDERAL (Internal Revenue Service):

1. Area 76 has obtained an **Employer Identification Number** (sometimes referred to as a Tax I.D. Number) from the Internal Revenue Service. This Tax I.D. Number may be required when opening bank accounts relating to Area 76 activities, such as Area Assemblies and Conventions.
2. Area 76 has established Tax-Exempt status with the Internal Revenue Service as a 501(c)(3) Public Charity. As a Tax-Exempt organization, Area 76 is required to file a yearly tax return with the Internal Revenue Service.

STATE OF WYOMING (Department of Revenue):

3. Area 76 has also established sales and use tax exemption with the State of Wyoming - Department of Revenue. They have provided us with an **Exemption Letter** and a **Certificate of Exemption Form** which should be used when making purchases relating to Area 76 activities, such as Area Assemblies and Conventions.
4. All of these items are specific to Area 76 and may only be used for Area 76 activities. Groups and Districts should obtain their own Employer Identification Number from the Internal Revenue Service. Groups and/or Districts may also apply for their own sales and use tax exemption through the State of Wyoming - Department of Revenue.
5. These original documents shall be retained in our Area Archives for safe keeping. The Area Treasurer will provide copies of the **Exemption Letter**, the **Certificate of Exemption Form** and the **Tax Information Instructions** along with the "seed money" to those Districts that are hosting an Area 76 activity.
6. Additional information can be found in the A.A. Guidelines for Finance (Form # MG-15).

SECTION VII: AMENDMENTS

1. Amended March 30, 1996. Section V was amended to make modifications to the Reserve Fund information.
2. Amended March 29, 2003 to make minor wording and spelling corrections and to modify Section V regarding the Delegates Fund and the amount contributed to GSO for Delegates expenses.
3. December 2006 the Finance Guidelines were converted to electronic format (Microsoft Word 2003). Minor changes were made for wording and spelling corrections. Section VI was added to incorporate the Area's Tax Information. Section III, (item 3) was changed to reflect the amount of "seed money" for the Area Delegate. Item 6 was added to Section IV (Treasurer's Responsibilities) to include information on the distribution of this new Tax Information. Section V (item 3) was changed to reflect GSO's suggested contribution of Delegate expenses to attend the General Service Conference. Section VII was added to note the amendments that have taken place with the Finance Guidelines and what all was changed. The necessary forms associated with the Finance Guidelines were also converted to electronic format (Microsoft Word 2003) and incorporated into the document.
4. November 2008 the Finance Guidelines were updated to reflect changes to Section II, Item 6 regarding the budget process; Section III, Item 3 to reflect an increase in the seed money allowed for trusted servants; Section IV to add Item 8 regarding the Tax-Exempt status and filing requirements and Section VI to add item 2 clarifying the Area's Tax-Exempt status with the Internal Revenue Service.