

AL-ANON guidelines

The Shared Experience Of Al-Anon and Alateen Members.

Reserve Fund Guideline

G-41

INTRODUCTION

This guideline has materialized as a result of requests from the membership for guidance in determining what an ample reserve would be for an Area, district, or group. Keeping in mind our Three Legacies, the suggestions found throughout this guideline are a result of what seems to work the best for the most.

A brief history of the growth of Al-Anon Family Groups and the Reserve Fund is included followed by some information and a financial inventory to assist Areas, districts, and groups to achieve financial responsibility.

The Reserve Fund is a fact of operating life at the WSO and in many of our service entities. This Fund is an important means of ensuring the future of Al-Anon Family Groups.



CONCEPT TWELVE

Warranty One

That only sufficient operating funds, including an ample reserve, be its prudent financial principle

HISTORY OF THE WSO RESERVE FUND

In 1970 the Board of Trustees, in accordance with Warranty One, established a Reserve Fund for Al-Anon Family Group Headquarters, Inc. This fund had a twofold purpose:

1. To assure continuation of essential services in the event of a substantial decline in income
2. To cover costs of special projects which could not be financed from normal sources of revenue.

The initial transfer of \$80,000 into the fund equaled 32% of that year's operating expense of \$248,000. From 1970 to the present the fellowship has grown from 5,500 groups to over 24,000 groups, the number of employees has nearly tripled, and annual expenditures have increased from \$248,000 to \$5,000,000. As the number of groups has grown so has our budget and accordingly, our Reserve Fund. In keeping with the accepted norm of not-for-profit organizations, the goal was to have one year's operating expense be the ample reserve of Al-Anon Family Group Headquarters, Inc.

OVERSIGHT

The Board of Trustees, through the Finance Committee, has oversight of the Reserve Fund. In 2007 the Board reaffirmed its long-standing principle that the Reserve Fund be set at one year's operating expenses. The Finance Committee is charged with reviewing the Reserve Fund annually to ensure that it does not exceed the previous year's operating expenses. The results of this review are reported to the Board of Trustees at a quarterly Board meeting.

AREAS, DISTRICTS, AND GROUPS

As we begin to look at our financial responsibilities it is important to recognize Tradition Four: "Each Group should be autonomous, except in matters affecting another group or Al-Anon or AA as a whole." When an Area pays their equalized expense to send the Delegate to the WSC, when districts and groups send their representatives to Area and district service functions, they are practicing the Fourth Tradition.

AREA RESERVE FUND

An Area's financial obligations are undoubtedly larger than that of a district or group and as a result may find it prudent to have a Reserve Fund. The amount of reserve may be dependent upon its budget, the extent of responsibilities it has chosen to cover, for use in the event of an emergency, or to fund special projects. The cost of providing services to the Area is what should be considered. The following suggestions are submitted as a guide to prudent planning for an ample reserve:

- Set a goal of six months' to one year's operating expenses.
- Reserve Funds are increased each year, when possible, until the goal amount is reached.
- Some Areas use reserve funds to save money to fund future obligations (such as Delegate's equalized expenses to the WSC or to send representatives to other service events).
- Excess funds from the reserve may be used to fund special projects such as a Public Outreach project that will carry the message to those suffering from the effects of living with a problem drinker.
- Some form of official approval is needed to withdraw the funds from the reserve (Area Assembly, Area World Service Committee).

Questions for an Area to consider:

- Does the Area realize funds in excess of its budget on a consistent basis?
- Could the Area pay the District Representatives' expense to the Area World Service Committee if the district cannot do so?
- Could the Area cover expenses for officers and/or coordinators to present workshops to districts if the district cannot pay?
- What would be the approval process to withdraw funds from the reserve?

DISTRICT RESERVE FUND

Refer to the above Area discussion and relate to district expenses and necessities in the event that the groups are not able to meet or contribute.

- Three to six months reserve is suggested depending upon the amount of expenses.
- Some districts put money in a reserve fund to send representatives to other service functions.
- If the reserve exceeds the predetermined amount, monies are dispersed to support AI-Anon service activities to be determined by a vote of the Group Representatives.
- Excess funds from the reserve may be used to fund special projects such as a Public Outreach project.

Questions for a district to consider:

- Could the district pay for the Group Representatives to attend the Assembly if the groups lack funds?
- Could the district hold workshops for members within the district?
- Could the district help new groups get started?
- What would be the approval process to withdraw funds from the reserve?

GROUP RESERVE FUND

Inquiries to the WSO Group Services Department indicate that members are looking for guidance on how to distribute group funds. A small reserve fund could ensure that the group can keep going if membership drops. The amount of the reserve would be dependent on the size of the group.

- The average reserve is one to four months' expenses.
- Many groups pay their expenses quarterly.
- If the reserve exceeds the predetermined amount, monies can be dispersed to support AI-Anon service activities as determined by a vote of the group members.
- Excess funds may be used to fund special projects such as a Public Outreach project.
- What would be the approval process to withdraw funds from the reserve?
- When groups don't have a reserve, the members contribute additional amounts to meet the expenses.

Questions for a group to consider:

- Are we able to meet our rent and other expenses consistently?
- If membership dropped, how long could we meet our critical expenses?
- If members are not attending, how long would we keep the doors open?
- Are we able to maintain a supply of Conference Approved Literature?
- Do we fund our Group Representatives and Alternate GR's expenses to attend service meetings on our behalf?
- Does the group provide babysitting during meetings?
- Are there other activities (anniversary, speaker) during the year that we need to save for?



Financial Inventories

AREA FINANCIAL INVENTORY

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- Does a Budget or Finance Committee develop the budget?
- Do Area officers and chairs of Area committees have input in the development of the budget?
- Is there final approval of the budget by a larger body such as the Area Assembly?
- Do we compare the Area budget to actual expenses on a regular basis?
- Do we require more than one person's name/signature on the bank account?
- If incorporated or unincorporated do we file our reporting documents on a regular basis? (Even unincorporated Areas may now be required to file paperwork with national authorities. Local experts should always be consulted.)
- Is a member identified who will ensure that the necessary legal documents are filed? Who is accountable?
- Is an explanation given to the groups at the Assembly on the importance of their financial contributions?
- Are we willing to do all that we can to be participating members of our Area?
- Does the Area have an annual appeal to the groups?

DISTRICT FINANCIAL INVENTORY

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- Do we prepare a budget based on expenses and income from the groups?
- Do we require more than one person's name/signature on the bank account?
- Do we pay our DR's expenses to attend Assemblies and Area World Service Committee meetings?
- Do the groups understand the district's expenses?
- Is there a guide available for use by the district Treasurer to plan expenses?
- Are we willing to do all that we can to be participating members of our district?

GROUP FINANCIAL INVENTORY

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- Are all members in our group familiar with our group, district, and Area financial needs?
- Do all members in our group understand the quarterly appeal and can we explain it to them?
- Does our group rotate its service positions such as Treasurer?
- Do we require more than one person's name/signature on the bank account?
- Are our members willing to do all that we can to be participating members of our group?
- Have we invited a speaker from the Area or district to talk about Tradition Seven?
- Have we consulted the Policy Digest in the *Service Manual* to assist in determining appropriate group expenses?
- Have we ever withheld funds because we disagreed with a decision made by a group conscience of a larger AI-Anon service body? If so, for how long? At what point do we accept that group conscience?

SETTING A GROUP BUDGET:

The following two methods of disbursing funds are commonly used among groups.



1. A set amount of money is paid or set aside each month or quarter for:

- Rent
- Group Representative's and Intergroup Service Representative's (or Alternate GR's) expenses
- Al-Anon Conference Approved Literature
- Refreshments
- District, LDC, AIS contribution
- Area contribution
- WSO contribution

2. In some groups making donations may be budgeted in percentages. After a group's fixed expenses are met, it would be up to the group to determine the proportions. Fixed expenses may be rent, literature, GR expenses, and refreshments.

- _____% to the District
- _____% to District Public Information, AIS, LDC
- _____% to the Area
- _____% to the WSO

GENERAL MEMBERS' FINANCIAL INVENTORY QUESTIONS

- Do I attend my group's / district's / Area's business meetings on a regular basis?
- Do I participate in the financial discussions so that my voice is heard?
- Do I carry any resentment that keeps me from participating? If so, how can I work through them?
- When finances are a critical issue, do I offer any suggestions for remedy?
- Am I willing to do all that I can to be a participating member of our group?
- What character defect do I still have that is keeping me from participating? What can I do to change it?
- What benefits do I receive when I participate?
- Is there financial responsibility in my personal life? How does this affect how I respond at my group/district/Area level?
- Do I consider costs and what my group needs when I contribute? Can I reconsider the amount I place in the basket?
- Do I personally contribute to the WSO quarterly appeal?