

IV.

FINANCE

AGENDA

Conference Committee on Finance

Sunday, April 18, 2021, 6:30 p.m. – 8 p.m.

Monday, April 19, 2021, Noon – 3:15 p.m.

Via videoconference

Chairperson: Randy S.

Secretary: Zenaida Medina+

Conference Committee Members

Panel 70

Tom A.

France F.

Donald M.

Randy S.

Pete V.

Panel 71

Connie R.

Susan R.

Sharon S.

+Agenda item forwarded from the 70th G.S.C.

- ◆ Discussion and acceptance of trustees' committee report.
- A. The pamphlet "Self-Support: Where Money and Spirituality Mix."
 - 1. +Consider a request regarding contribution percentages to service entities.
 - 2. Discuss mechanization of group contributions.
- B. +Review Self-Support Packet.
- C. Reconsider the 1972 G.S.C. Advisory Action stating "G.S.O. should not accept contributions from clubs, listed or known as such, whether or not composed solely of A.A. members. Contributions are welcome from groups meeting in clubs as long as they are sent in the name of the group."

NOTE: 1989 Conference Advisory Action

Each Conference Committee carefully consider their agenda items and strive to make their recommendations for Advisory Actions to the Conference at the policy level. To be more financially responsible, when a Conference Committee recommendation involves a substantial expenditure of money, an estimate of cost and its impact on the budget be part of that recommendation.

- D. Discuss Concept XII, Warranty Two and the practice of “selling of our books at cost or less.”
- E. Review suggested area contribution for delegate expense for the Conference.
- F. Review the Conference-approved level of \$10,000 for individual bequests to the General Service Board from A.A. members.
- G. Review the Conference-approved maximum annual contribution of \$5,000 to the General Service Board from an individual A.A. member.
- H. Review the “Google Grants and the Seventh Tradition Report.”

2021 Conference Committee on Finance

ITEM A: The pamphlet “Self-Support: Where Money and Spirituality Mix.”

1. +Consider a request regarding contribution percentages to service entities.

Background: +Agenda item forwarded from the 70th G.S.C.

1. A.1 doc. 1 – Mary K. request to edit pie chart
2. A.1 doc. 2 – Mary K. suggested edit to pie chart
3. A.1 doc. 3 – Tom A. pie chart change request
4. A.1 doc. 4 – Tom A. pie chart before change
5. A.1 doc. 5 – Tom A. pie chart with suggested change

Mary K. Area 61, Panel 68 Delegate

Rhode Island

Conference Coordinator General Service Office

Dear Patrick,

Warm greetings from Area 61, Rhode Island! Our Area has asked me to forward the following motion for consideration for inclusion on the agenda for the 70th General Service Conference:

The pamphlet Self Support: Where Money and Spirituality Mix is a concern of Area 61, RI and we believe it affects other areas as well.

MOVE:

Specifically, the center and bottom pie charts illustrated on page 13 of the pamphlet depict the seemingly sanctioned division of contribution funds between service entities. As the delivery of services varies, sometimes greatly, from Area to Area, and between districts, and among central offices/intergroups, we believe that GSO should not make any suggestions about contributions to these entities. Instead, we propose that the one pie chart without filled-in percentages (top illustration) be retained and the **following text** be added to p. 7 and p. 13:

“Duties of the entities notated above are described on page 7 of this pamphlet. Performance of these service duties vary from area to area. Please be sure to inquire which services these entities provide in YOUR area and contribute accordingly.”

BACKGROUND:

Our Area feels that the middle pie chart illustrated on page 13 of said pamphlet construes a seemingly sanctioned division of funds between 4 entities (10% to district; 10% to area committee; 30% to GSO and 50% to intergroup or central office). Although Area 61 believes these are but suggestions, this pie chart is sent out in monthly mailings to every group in RI Area 61 by the central office.

The main problem with these amounts is that these numbers seem to refer to the duties each entity provides. These duties can be found in the same pamphlet on page 7, where it states that the local intergroup or central office provides, among other duties, “institutions work; public information and cooperation with the professional community

CONFIDENTIAL: 71st General Service Conference Background

activities.” The crux of the problem is that these services are provided by the area committee in RI AREA 61.

Area 61 also provides ALL meetings in our Correctional Facilities and coordinates all the CPC and PI outreach throughout the state. The meetings in our Correctional facilities in RI depend solely on Area 61 for literature, meeting lists and the Bridging the Gap program.

All these services cost money. Sometimes we must wait for money to buy literature, do some outreach, or perform some type of service. We always seem to be operating at or near our prudent reserve. And one of the reasons we feel that this is happening is that the pie chart does us a great disservice.

Perhaps a different approach is necessary.

In short, we believe it is each group’s responsibility to figure out its contribution plan based on an informed group conscience.

(See attached example).

Thank You,

Mary K.

Area 61, Panel 68

SELF-SUPPORT:Where
Money &
Spirituality
Mix

This is A.A. General

of us. Our support of services actually amounts to a recognition on our part that A.A. must everywhere function in full strength — and that, under our Tradition of self-support, *we are all going to foot the bill.*"

How can groups participate?

To help support A.A.'s essential services, the General Service Conference suggests that individual groups, through an informed group conscience, adopt a specific contribution plan tailored to meet the group's financial situation.

Once the basic group expenses have been taken care of (for example, rent, refreshments, A.A. literature, Grapevine literature, local meeting lists, G.S.R. travel expenses to attend service functions) and a "prudent reserve" has been set aside to cover any emergency contingencies that might arise, the group may decide to further carry the message by sending money to the following A.A. service entities:

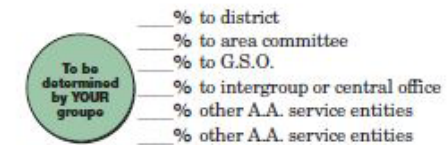
- **The local district**, which communicates directly with the groups, providing the district group conscience for the area assemblies, and serving as a link between the area delegates and the G.S.R.s.
- **The area committee**, which coordinates vital A.A. activities over a broad geographic area; sends a delegate to the annual General Service Conference; holds area assemblies to determine the needs of the Fellowship; and provides information at all levels of service.
- **The local intergroup or central office**, which may provide phone service for Twelfth Step calls and other inquiries; coordinates group activities; and facilitates A.A. literature sales, institutions work, public information, and cooperation with the professional community activities.
- **A.A.'s General Service Office**, which functions as a storehouse of A.A. information, communicating with members and groups around the world; publishes A.A.'s literature; and supplies information and experience to professionals and others interested in A.A.

Please note that not all areas, districts, intergroups and central offices follow these divisions of service for institutions work, cooperation with the professional community, public information, etc. Therefore, prior to making contributions in your area, please find out which entity is providing these services and allocate your contributions accordingly.

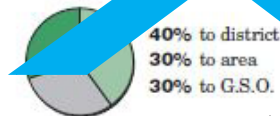
Contributions to A.A. Service Entities

Distribution Plan of _____
(YOUR GROUP NAME)

Your Group Service # _____
(Be sure to write group name and service # on all contributions.)

**OR**

If you have no intergroup or central office:

**Q Where should I send contributions?**

A For contributions to G.S.O., make checks payable to "General Service Board" and send to:

General Service Office
P.O. Box 459
Grand Central Station
New York, NY 10163
or visit Contributions online at aa.org

For contributions to other A.A. service entities, contact your district committee, area committee, and local intergroup/central office for addresses. You can enter the addresses in the spaces provided on the next page to save for easy reference. And remember that these addresses may change when a treasurer rotates.

Duties of the entities notated above are described on page 7 of this pamphlet. Performance of these service duties vary from area to area. Please be sure to inquire which services these entities provide in YOUR area and contribute accordingly.

CONFIDENTIAL: 71st General Service Conference Background

**Finance
Item A.1
Doc. 3**

Patrick C [REDACTED]
Conference Coordinator
General Service Office

Patrick,

Please accept the following as a suggestion to the Trustee Finance Committee and forward to the appropriate people.

There was a Floor Action at the 70th General Service Conference coming from the Conference Finance Committee. The committee did not have enough time to fully discuss this agenda item in committee, but some good points were brought up. I have submitted a suggestion which addresses the core problem; viewers are looking at the Pie Charts as a recommendation and not as a sample.

Here is the Floor Action from the 70th General Service Conference

The Finance Committee expand item #2 that will be forwarded to the 71st Conference to include the proposal to revise the pie chart percentages, in order to emphasize more clearly that any percentages included in the pamphlet are only suggestions and examples, not recommendations.

We would like to submit a suggestion for a change in the Pie Charts found in the Pamphlet "Self-Support where Money and Spirituality Mix" on page 12. The change is limited to adding the word "Sample" as a watermark across the two samples pie charts in that pamphlet.

Reason for the change:

Many of the "Self-Support where Money and Spirituality Mix" pamphlet readers look at the Pie Charts as a recommendation from the General Service Office. The word "sample" at the top of the graphic is not sufficient. There were two agenda items in 2019 that addressed the fact that the percentages were causing confusion.

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It appears that when looking at the Pie Charts, readers are drawn to the pie rather than the text prior to the Pie Chart. We feel that the watermark does not take away from the sample percentages, but it does make clear that it is a sample of how a group distribution can be divided. It is not a recommendation.

Conference Finance Committee Discussions:

At the Conference last year, our Finance Committee discussed a proposed change to the percentages discussed on that Agenda Item. We took no action. We did not think that changing the percentages solved the problem. Making changes to the percentages would still appear we were making a recommendation.

Why is this important right now?

Many groups are realizing the financial needs of the service entities have changed due to the pandemic. It needs to be made clear, the group conscience can determine their own percentages and can change them at any time. The Pie Charts are only samples of how to distribute contributions.

This suggestion was discussed at many District meetings, Delegate Reports, Area Committee Meetings, and an Area Assembly not as an agenda item, but as a topic of discussion. These discussions helped to create a better understanding of the Pie Chart purpose. The “sense of the area” has been positive and supportive of this proposed change to the Pie Chart graphic.

Enclosed are both the Pie Chart graph as it appears today and our suggested Pie Chart with the watermarks.

Please do not hesitate to contact me if there is additional information needed or questions the Trustees Finance Committee has regarding this suggestion.

Respectfully submitted,

Tom A [REDACTED]

Delegate Area 07

Panel 70

Conference Finance Committee, Alt. Chair

[REDACTED]

[REDACTED]

Samples of Group Contributions to A.A. Service Entities

Distribution Plan of _____
(YOUR GROUP NAME)

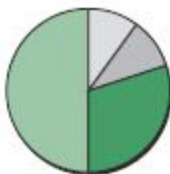
Your Group Service # _____

(Be sure to write group name and service # on all contributions.)



- _____ % to district
- _____ % to area committee
- _____ % to G.S.O.
- _____ % to intergroup or central office
- _____ % other A.A. service entities
- _____ % other A.A. service entities

OR



- 10%** to district
- 10%** to area committee
- 30%** to G.S.O.
- 50%** to intergroup or central office

OR

If you have no intergroup/central office:

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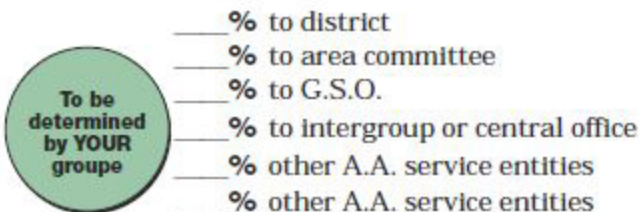
- 40%** to district
- 30%** to area committee
- 30%** to G.S.O.

Samples of Group Contributions to A.A. Service Entities

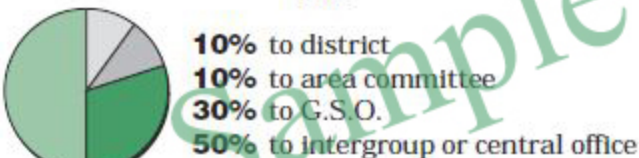
Distribution Plan of _____
(YOUR GROUP NAME)

Your Group Service # _____

(Be sure to write group name and service # on all contributions.)



OR



OR

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If you have no intergroup/central office:

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2021 Conference Committee on Finance

ITEM A: The pamphlet “Self-Support: Where Money and Spirituality Mix.”

2. Discuss mechanization of Group contributions
-

Background:

1. A.2 doc. 1 - Forwarded item request from the group “A Tuesday Night Traditions and Concepts Study”
2. A.2 doc. 2 - Group request re Mechanism of Group

This proposed agenda item was originally acknowledged to the submitter as follows: "Based on the nature of your request it does not rise to the level of a proposed agenda item for the General Service Conference. There was discussion that the idea that is being presented is not yet formed/formulated as a proposed Conference agenda item. We are suggesting that wider, local sharing could take place prior to the proposed item moving forward. This response is not a rejection of the item – it is encouragement for further discussion."

We received a request to reevaluate our initial disposition decision.

The submitter provided additional clarifying information by sharing "as we mention in our proposal, the pamphlet has long given guidance about how a Group might tailor a plan for making regular contributions. Once having decided on a plan, a Group generally follows it without much further consideration: the essence of mechanization. During this pandemic, many districts stopped spending money, and many Groups kept sending contributions anyway. The pamphlet is mute on such occurrences. We have all seen district treasuries that are above sufficient operating funds and ample reserves. The pandemic has caused many, many more districts to be in this boat. Wouldn't it better serve our Fellowship to include wording in this pamphlet that emphasizes the need for frequent review of our plans in light of communication from the service structure?"

Because of the clarification, it was decided to change the disposition decision as follows:

We have decided to forward this original email (see attached), along with attachments, to you as secretary of the trustees' Finance and Budgetary Committee.

It is a submission for a proposed agenda item for the 2021 General Service Conference. This item is being forwarded to the Trustees' Finance and Budgetary Committee for consideration and any action they may wish to take.

Discuss how the pamphlet "Self-Support" Where Money And Spirituality Mix" has contributed to the mechanization of Group contributions that has not worked well in these peculiar times.

You should have received a copy of the acknowledgement to the person who submitted the item. You do not need to be in touch with the submitter now unless you have questions.

Action: Please follow up with the submitter, and copy the Conference Coordinator at conference@aa.org, after each meeting where this topic is on the agenda, until a final decision about it has been reached.

Best Regards,

**Patrick C.
Conference Coordinator**

December 15, 2020
General Service Office of Alcoholics of Anonymous
Attention: Conference Coordinator, Patrick C.
Grand Central Station, P.O. Box 459
New York, New York 10163

Dear Patrick,

We are members of Alcoholics Anonymous who belong to various Home Groups across the United States. We have been meeting on a weekly conference call for over ten years to share our experience, strength and hope in the study of applying our A.A. Traditions and Concepts in our daily lives and service work. We serve and have served our A.A. Fellowship in various service positions from the Group to the corporate board levels of our A.A. service structure. Through our in-depth discussions about our principles, the following has come to our attention as a result of the rapid and widespread changes brought on by the global pandemic.

We unanimously agree and humbly request the inclusion of the following items on the 71st General Service Conference agenda in order to allow for full Fellowship discussion and an informed Conference to offer spiritual guidance and direction to the Trustees and staff to lead us through these worldly times:

Discuss how the pamphlet *Self Support Where Money And Spirituality Mix* has contributed to the mechanization of Group contributions that has not worked well in these peculiar times.

This pamphlet has long given good guidance to Groups in assisting them in tailoring a plan for contributing money to the different levels of the service structure. An unfortunate byproduct of this is that it has often caused groups to quit thinking about and discussing the best uses of their monies. This has become most notable during this time in which we are achieving meetings, district meetings, assemblies, committee meetings, and even Conference through non-face-to-face methods. Many Groups have continued contributing along their tailored plan whether the district, area, etc has had need for those contributions. A result of this is that we are now seeing many districts with a great deal of money with no stated A.A. purpose.

The easiest thing for the districts to do seems to be to send that money to their area or to the General Service Board in spite of the fact that the Group money is also not needed. Areas have subsequently amassed funds for no stated A.A. purpose.

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CONFIDENTIAL: 71st General Service Conference Background

While Group contributions and literature sales have reportedly dropped, the most recent financial reports also show a surplus that could grow once our insurance money from the International arrives, enough to perhaps make up for the two drawdowns.

This problem with the Group sending money to a district that does not need it causes the district to send money to the areas that do not need it. And both the districts and the areas are contemplating forwarding money on to the GSB. If the Groups had wanted their contributions to go to these other levels, they would have sent it to them originally.

If the districts and areas are funneling Group contributions to the Board, this eliminates the power of the purse that Groups may be trying to exercise (Concept VII). It is difficult to see if the Groups actually support the services offered when their money is being channeled to the Board from other parts of the service structure.

In addition, a surplus at the GSB means that money is accumulating unnecessarily. Alcoholics Anonymous adopted the policy of “corporate poverty” as envisioned by our Founders to avoid problems with money, property, and authority. The pamphlet exacerbates this issue by mechanizing the sending of contributions in a way that removes discussion and spirituality from this process.

Another item:

Request sharing from the Fellowship about using various “virtual” baskets - especially in terms of our Traditions, to ensure our Conference-approved literature and service pieces reflect our Fellowship’s experiences and principles.

And one final item:

Have a discussion around online contributions accepted by the General Service Board from individuals (either one-time or recurring).

For over ten years, A.A. members have had the ability to make individual, direct, online contributions to aa.org either as a one-time event or as scheduled, recurring events. Contributors are asked if they are A.A. members. If not, they are denied the ability to contribute. A.A. members are also given the ability to credit their contribution(s) to their home group.

Between 2005 and 2019, individual contributions have increased 435%. This financial information was derived from financial information provided during the last 15 years of General Service Conference Final Reports. This massive increase is credited to members making contributions online. However, the Conference did not have an opportunity to weigh in on the merits of this option before it went into effect. Our experience tells us that money, property, and authority easily divert us from our primary purpose. Other options for individual contributions

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CONFIDENTIAL: 71st General Service Conference Background

have come to us through the Conference-approval process. This includes early Advisory Actions like \$2 per person per year for the Group or the Birthday Plan. If we continue encouraging and emphasizing individual contributions in our financial reports, how soon before these equal the dollar amount given per Group? Our Fellowship and our Conference should take time to discuss how our principles work with this way of collecting contributions from individuals and what impact this has on our A.A. Groups.

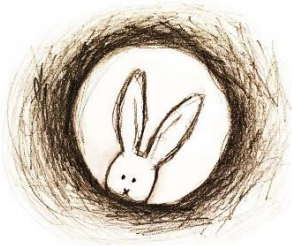
For example, when an individual contribution is made to aa.org, how does that affect that individual's contributions to their Group? Does the Group's power of the purse get circumvented by an individual who credits their Group when they make recurring contributions? Does this further undermine the importance of the Group as the most important entity in Alcoholics Anonymous? How are contributions by Groups to districts and areas impacted by these activities? Are we limiting the group's ability to support our primary purpose?

We aren't suggesting that online contributions - either from Groups or individuals - should be stopped. We are suggesting that online contributions from individuals ought to be fully discussed in terms of our principles before we are further encouraged to utilize this option. Individual contributions may be good for the bottom line, but it is the spiritual significance of Groups making financial decisions together that is vital to our common welfare.

Our experience shows that the Conference Finance Committee would be best suited to consider these items so we will attempt to include that committee's chair in our correspondence.

Godspeed,

A Tuesday Night Traditions and Concepts Study



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Cc: Mike L., West Central Regional Trustee
Jimmy D., Southwest Regional Trustee
Mark E., East Central Region Trustee

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2021 Conference Committee on Finance

ITEM B: +Review Self Support Packet.

Background: +Agenda item forwarded from the 70th G.S.C.

1. List of contents of Self Support Packet (Use hyperlink on each item to view)

Self-Support Packet Contents

Self-Support Card	F-42
Self-Support: Where Money and Spirituality Mix	F-3
The A.A. Group Treasurer	F-96
A.A. Guidelines on Finance	MG-15
Your Seventh Tradition Contributions Flyer	F-203
Birthday Contribution Envelope	FR-5

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2021 Conference Committee on Finance

ITEM C: Reconsider the 1972 G.S.C. Action stating “G.S.O. should not accept contributions from clubs, listed or known as such, whether or not composed solely of A.A. members. Contributions are welcome from groups meeting in clubs as long as they are sent in the name of the group.”

Background:

1. Letter from District 21

I am forwarding this original email, along with attachments, to you as secretary of the trustees' Finance and Budgetary Committee.

It is a submission for a proposed agenda item for the 2021 General Service Conference. This item is being forwarded to the Trustees' Finance and Budgetary Committee for consideration and any action they may wish to take.

Reconsider and possibly change the 1972 G.S.C. Action stating "The Conference agreed that G.S.O. should not accept contributions from clubs, listed or known as such, whether or not composed solely of A.A. members. Contributions are welcome from Groups," by sending a new questionnaire to clubs to determine if the reason for the previous Action is still the same, and if appropriate, to change the policy.

You should have received a copy of the acknowledgement to the person who submitted the item. You do not need to be in touch with the submitter now unless you have questions.

Action: Please follow up with the submitter, and copy the Conference Coordinator at conference@aa.org, after each meeting where this topic is on the agenda, until a final decision about it has been reached.

Best Regards,

Patrick C.

Conference Coordinator

CONFIDENTIAL: 71st General Service Conference Background

**Finance
Item C
Doc. 1.a**

From: Chris E
Sent: Monday, September 14, 2020 12:10 AM
To: Conference
Subject: Request to add an agenda item to the GSC agenda.
Attachments: Request to accept donations from clubs.docx

Hello

Attached is a letter from District 21 in Area 20 requesting that an agenda item be considered to be added to the agenda of the next General Service Conference.

Thank you for taking the time to consider this request.

Yours in Service,

Chris E

DCM, District 21

District 21 | Northern Illinois Area 20

Finance
Item C
Doc. 1.b

August 24, 2020

To whom it may concern:

The Palatine Angle Group proposed a change at our District meeting in January 2020 to allow AA to receive donations from Clubs, providing they have no outside commitments or connections. The group believed it was wrong for District 21 to reject a donation from our local club, because it came from a group of alcoholics. They understand the reasoning for the decision the District made, but believe the GSC Action used to make that decision is outdated and needs to be revised.

The District voted in February 2020 to support the group in requesting that this change be considered by the General Service Conference. It has been almost 50 years since this matter was last addressed by the GSC. We believe it is time to reevaluate the decision that was made in 1972 to determine if the reason for the GSC Action is still the same. Therefore, we are proposing the following motion to be considered by the GSC and request that it be added to the agenda of the 71st General Service Conference in 2021:

A request to reconsider and possibly change the 1972 GSC Action stating “The Conference agreed that G.S.O. should not accept contributions from clubs, listed or known as such, whether or not composed solely of A.A. members. Contributions are welcome from Groups,” by sending a new questionnaire to clubs to determine if the reason for the previous Action is still the same, and if appropriate, to change the policy.

It is known that meetings for other 12 step programs take place at our local club and that they pay rent to do so. It is not known if the money received from those groups is kept separate from money collected from AA meetings. We believe the donation that the District received and returned in December 2019 was from money collected from AA members and made in good faith to our District. By conducting a survey of

District 21 | Northern Illinois Area 20

clubs, similar to the one done before the 1972 GSC Action, the GSC can determine if money received from Clubs is contributed by A.A. members only, and if so, to make the proposed change.

Background:

District 21 made an initiative in 2019 to get our local Club more involved at the District level. This resulted in a few club members attending the monthly District meetings and a few groups selecting GSR's. Their involvement resulted in the Club sending a donation check in November 2019.

The Operating Committee of District 21, Northern Illinois Area 20, in a meeting on Dec 15, 2019 discussed what to do with the donation check from our local Club and recommended to the District as a whole to return, with regret, the check received from the Club in accordance with guidance from the GSC.

The District voted on Dec 17, 2019 to accept the Operating Committee's recommendation. The minority opinion indicated understanding why it violates the 7th tradition and GSC Action; however the opinion is that anyone that attends the meetings at the local Club is part of AA therefore the money should be accepted. He further stated that there is a difference between Clubs being an outside entity providing money versus a hospital being an outside entity.

The rationale used by the District for rejecting the donation was from the following:

- A GSC Advisory Action in 1972 states: "The Conference agreed that G.S.O. should not accept contributions from clubs, listed or known as such, whether or not composed solely of A.A. members. Contributions are welcome from Groups."
- *A.A. Guidelines –Relationship Between A.A. and Clubs* states that "Further guidance was given by the 1972 General Service Conference, which advised that G.S.O. no longer accept contributions from clubs. This decision was based on returns from a questionnaire sent to all clubs. The answers indicated that the difference in club operating procedures was too great to enable G.S.O. to decide whether or not money received from a particular club was contributed by A.A. members only. (Of course, G.S.O. does accept contributions from A.A. groups that meet on club premises.)"

District 21 | Northern Illinois Area 20



Respectfully Submitted,

Chris E.

DCM, District 21, Area 20

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2021 Conference Committee on Finance

ITEM D: Discuss Concept XII, Warranty Two and the practice of “selling of our books at cost or less.”

Background:

1. Letter with background re: Concept XII, Warranty Two

At the February 2020 meeting, the trustees' Finance and Budgetary Committee reviewed but did not forward the agenda item to the Conference Finance Committee. The committee is requesting information from the Archives Department. The background originally submitted for this agenda item is being reviewed for clarity before sending to the Conference Finance Committee. Discussion will continue at the trustees' August 2020 meeting.

The "agenda item" being referred to in the action above was submitted by an area in November 2019 and reads as follows:

Consider the relevance and applicability of the passage in the essay portion of Concept Twelve, Warranty Two, (A.A. Service manual, p. 62) which states that neither the groups nor A.A. as a whole should function as a "money charity" via, the practice of "selling of our books at cost or less."

Furthermore, the submitter stated that the "proposal merely intends to identify a discrepancy between how both programs function [Pink Can Fund and the Carry the Message Project] and certain language found in Warranty Two of Concept Twelve which cautions against engaging in that type of activity."

I read the entire paragraph in which the quotes are lifted from (see attached) and in particular, the concluding two sentences that provide significant historical context. Bill W. elucidated his point about "selling books at cost or less," stating that, "Hence there seems no really good reason why A.A. services should supply everybody with cheap books, including the large majority who can easily pay the going price. It appears to be altogether clear that our world services need those book dollars far more than the buyers do."

The issue was related to "cheap books."

In the late 1950s, there had been rousing discussion within the Fellowship concerning the publication of "cheap" editions of A.A. books. Bill objected to the idea of producing "cheap books" and once wrote a 14page letter to a member in 1958, where he presented his thoughts on the subject. See attached.

In July 1958, he corresponded again with the member on the issue. He wrote, in part, "While my letter about cheap books and royalties was circulated among the Conference, I absented myself from the discussions on these matters... The Conference voted unanimously against cheap books."

In 1958, in a Floor Action vote, the Conference approved that "A paperback edition of the 'Big Book' not be published."

A related Floor Action approved in 1961 reads:

The Conference recognized that the publication of cheap editions of A.A. books would probably reduce the income to World Services, and Bill's personal income. The Conference unanimously suggested the following to the Trustees: To add a rider to Bill's royalty contract to the effect that, if cheaper books are ever published, Bill's Royalties be increased by an amount sufficient to keep the royalty income at the same average level it had been for the five years before cheaper books

were published; (further, that) as time goes on, if inflation erodes the purchasing power of this income, the Trustees will adjust the royalties to produce the same approximate purchasing power; this to be effective during the lifetime of Bill and Lois and Bill's legacies. (Floor Action)

From: Conference
Sent: Friday, December 13, 2019 6:30 PM
To: 'always2bthere@gmail.com'
Cc: 'backus@recreayplace.org'; Segui, Frank; Slotterback, Robert; Medina, Zenaida;
Conference
Subject: REVISED Acknowledgment: Proposed 2020 GSC Agenda Item #31 - Consider the relevance of passage in essay portion of Concept Twelve, Warranty Two

Dear Gerry,

Thank you for your email on behalf of Gerry Robinson, Past Delegate, Panel 67 Area 40 requesting that the 2020 General Service Conference consider the following proposal:

Consider the relevance and applicability of the passage in the essay portion of Concept Twelve, Warranty Two, (A.A. Service Manual, p.65) which states that neither the groups nor AA as a whole should function as a “money charity” via the practice of “selling of our books at cost or less.”

Your email containing the area's proposal, along with any accompanying documents, will be forwarded to the Trustees' Finance and Budgetary Committee for discussion at their next meeting. The committee secretary will contact you to let you know the outcome of the committee's deliberations.

We may include your email as background material for the Trustees' Finance and Budgetary Committee, which may be widely distributed. Please let me know if you object to the letter being distributed as presented.

Your friends at the General Service Office join me in sending you warm wishes for each day, one day at a time.

Best Regards,

Patrick Chagnon
Conference Coordinator
212-870-3122
conference@aa.org

CONFIDENTIAL: 71st General Service Conference Background

From: Gerry R. [REDACTED] <[REDACTED]>
Sent: Thursday, November 14, 2019 10:20 AM
To: Conference; Conferencesa; Thomas L. [REDACTED]
Subject: Proposed GSC Agenda Item
Attachments: Warranty Two Consideration.docx; Warranty 2 Attachment A.docx; Warranty 2 Attachment B.docx

Hi Patrick,

After a lot of prayer and meditation, along with talking with others in the Fellowship, including my sponsor, I've decided to present the attached proposal to you, with accompanying documents, and ask that it be considered for inclusion on the agenda for the 2020 General Service Conference.

Thank you in advance for your help in finding an appropriate home for this and thank you for all your dedicated work in service to our Fellowship.

Gerry R. [REDACTED]
Panel 67 Area 40

Your vision will become clear only when you can look into your own heart. Who looks outside, dreams; who looks inside, awakens. Carl Jung

Warranty Two Consideration

While this proposal does present certain facts about the Pink Can Fund and the Carry the Message Project, it does not intend to suggest, or to advise against, either program being discontinued. Instead, it merely intends to identify a discrepancy between how both programs function and certain language found in Warranty Two of Concept Twelve which cautions against engaging in that type of activity. The goal is to initiate a discussion that will allow the AA Fellowship to address that discrepancy for the purpose of identifying and implementing an effective resolution.

Over the years, AA has developed a variety of innovative programs that have allowed our members to better carry our message of hope to the still-suffering alcoholic. Two in particular, a grassroots movement called the, "Pink Can Fund," and a program developed by Grapevine Inc., called the "Carry the Message Project," are both designed to help those who lack sufficient financial resources (usually those in correctional facilities) to obtain AA literature. Both programs have proven to be very effective and are well supported by portions of our Fellowship. They both clearly serve an expressed and vital need within the Fellowship.

The concern brought forward here is that, in the development and operation of these programs, certain policy and procedures have been adopted which assign official responsibilities throughout various levels of our service structure. These responsibilities require our trusted servants to perform functions that contradict the language of Concept Twelve, Warranty Two. The following paragraph presents the language in question:

"Next comes the question of whether A.A. as a whole should go in for what amounts to a money charity to individual newcomers and their sponsors — via the selling of our books at cost or less. Up to now, we A.A.'s have strongly believed that money charity to the individual should not be a function of the A.A. groups or of A.A. as a whole. To illustrate: when a sponsor takes a new member in hand, he does not in the least expect that his group is going to pay the expenses he incurs while doing a Twelfth Step job. The sponsor may give his prospect a suit of clothes, may get him a job, or present him with an A.A. book. This sort of thing frequently happens, and it is fine that it does. But such charities are the responsibility of the sponsor and not of the A.A. group itself..."

AA Service Manual Pg. 65

One point must quickly be made about Bill's use of the term "*money charity*." It may give the impression that he is referring to the simple disbursement of money, but he clarifies his point immediately by referring to the "*selling of our books at cost or less*" which, of course, would include the act of giving our literature away at no charge to the recipient.

The relevant sentence in the excerpt above is: "*Up to now we A.A.'s have strongly believed that money charity to the individual should not be a function of the A.A. groups or of A.A. as a whole.*"

To be even more specific, the key word in the sentence above is, "*function*." While there will be some discussion of money to follow, the primary concern is with how the trusted servants in these programs *function* as they carry out their assigned duties.

In Warranty Two, Bill advises that AA should not function in the same manner as a charity with regard to freely giving away our literature, yet those who administer the Pink Can Fund and the Carry the Message Project are assigned responsibilities that require them to do exactly that.

Put simply, a charity functions by accepting donations of money or goods that hold monetary value. These donations come from a variety of sources, and the charity uses these funds or goods to meet the financial or material needs of the less fortunate. People who work within the charity are assigned the responsibility of overseeing this process to ensure that it functions in an efficient, effective and accountable fashion.

Let's compare that basic definition with how the Carry the Message Project and the Pink Can Fund function.

CARRY THE MESSAGE PROJECT

Initially called the "Grapevine Donation Fund," the Carry the Message Project began well over thirty years ago. The current rendition is described on the Grapevine website, (www.aagrapevine.org/carry-the-message), as "12th Step work in action." It states that "AA districts, groups and individual members can work together to carry the message of hope and recovery." Despite the language in Warranty Two, it is a basic function of this program to allow AA districts and groups, along with individual members, to sponsor subscriptions to the magazine. The funds are collected from these various parts of our Fellowship and are earmarked to provide subscriptions to those in correctional facilities who are otherwise unable to afford them. Grapevine staff are charged with seeing that the program functions in an efficient, effective and accountable fashion.

PINK CAN FUND

A quick note – While the Pink Can Fund does not operate at the level of the General Service Office, and there is no designated committee or “official” recognition of the program by the General Service Conference, the program is certainly sanctioned and encouraged by both the GSO and the GSC. This is made evident by their endorsement of the program in AA service material, including the AA Corrections Workbook, pp. 17-19, and BOX 459 Vol. 52, No.5 / October-November 2006. (See Attachment A.)

A quick internet search reveals a multitude of Areas and Districts within the AA service structure that have created policy and procedures documents which outline the essential responsibilities of their trusted servants to oversee the implementation of the Pink Can Fund. (See examples in Attachment B) These guidelines are meant to make certain the program functions in an efficient, effective and accountable fashion.

It is not an exaggeration to say that well over one million dollars flows in and out of Fellowship coffers on an annual basis around the Fellowship in the operation of this program.

It is important that we take a moment to briefly address a little “white lie” that the Fellowship tells itself while it avoids certain questions regarding the monies generated by the Pink Can Fund. This lie contends that the money collected for the Pink Can Fund is not actually “AA money” because it’s acquired outside the 7th Tradition collection.

The first, and most important, question that needs to be asked is: Are the funds collected via the Pink Can therefore considered an outside contribution? If they are then, of course, serious 7th Tradition issues arise.

If the money dropped into the Pink Can is not an outside contribution then, simply put, it is AA money. The facts are clear, it comes from the same pockets as the 7th Tradition money, and a large number of Area and District guidelines require that the money be collected, counted, processed and spent by the very same AA trusted servants who handle the 7th Tradition funds. The fact that this AA money rests momentarily in a gaudy pink receptacle changes nothing about who is responsible for it, or its ultimate purpose. It is AA money.

Another question we avoid asking ourselves, regarding both the Pink Can Fund and the Carry the Message Project, is: Given that the money used is AA money, provided by the

Fellowship and administered by our trusted servants as part of their assigned functions;
How are we not then giving away literature for free at our Fellowships' expense?

To be emphatically clear, contributing our own extra money to buy literature from ourselves does not amount to selling that literature at a profit.

A final question we avoid involving both programs is the practice of earmarking AA funds. The AA Guidelines on Finance state that *G.S.O. does not accept contributions earmarked for a specific project or service*. Granted, the Grapevine Inc. is not part of the GSO but, the unasked question in this case remains; how are we able to draw imaginary lines around AA money and say, "our principles apply to this pile of AA money, but not that pile?"

All the money talk aside, when it comes down to how either program functions, we are saying one thing in Warranty Two but doing another in actual practice. In a word, we are being duplicitous. In strong 5th step language, we are lying to ourselves. How do we reconcile that as a Fellowship?

In his opening essay to the Concepts, Bill states, *"New service needs and problems will arise that may make structural changes necessary. Such alterations should certainly be effected, and these contingencies squarely met."*

In today's AA, the need for providing our literature to those incarcerated in correctional facilities across the U.S. and Canada is vital. While there has recently been a move toward the use of digital media in larger correctional institutions, there will still be a need for hard copy in the vast number of smaller facilities in both countries for the foreseeable future.

Borrowing on Bill's words; Necessary structural changes have indeed evolved to meet new service needs via the development of both the Pink Can Fund and the Carry the Message Project. While these alterations have been effected, these contingencies have not been squarely met. We have yet to address and reconcile the duplicity that exists between what we say in Warranty Two, and how both of these programs are designed to function. This proposal makes the request that we attempt to do that.

To that effect, it is the purpose of this proposal to request that the 70th General Service Conference **Consider the relevance and applicability of the passage in the essay portion of Concept Twelve, Warranty Two, (A.A. Service Manual, p.65) which states that neither the groups nor AA as a whole should function as a "money charity" via the practice of "selling of our books at cost or less."**

ATTACHMENT A

NOTE – The portions highlighted below are selected to emphasize language that indicates the Pink Can Fund has been recognized and/or adopted by GSO, an Area, or District, as a function of that portion of the service structure of Alcoholics Anonymous.

BOX 459 Vol. 52, No.5 / October-November 2006

■ **Pink Cans: Small Change Brings Big Results** A large number of inmates in correctional facilities in the U.S. and Canada are in prison because of alcohol, and the flip side is that many of these alcoholics have found the Fellowship in prison. But the quest for sobriety doesn't come easily behind the walls. Most incarcerated alcoholics have just one meeting a week available to them, and many others are on waiting lists and can get to none at all. That reality underlines the need to send literature into prisons to carry the message in print through the Big Book, other A.A. books and pamphlets, and the A.A. Grapevine. How to raise enough money to keep a supply of literature flowing? Corrections committees throughout the service structure make raising money for literature a priority, and one idea that has become popular in some areas is having a pink can (or perhaps a blue or green one) prominently displayed on group literature tables as a way of collecting money for literature for prisons. The concept originated (as far as we know) in the Northern California Area in 1957. The area Hospital and Institutions committee (H&I) was rapidly expanding its work in prisons, and the need for literature was increasing by leaps and bounds, to the point where it could no longer be met by individual contributions. Someone came up with the idea of passing around a can at group meetings, explaining that the pennies, nickels, dimes, and quarters dropped into the can were intended for alcoholics in prisons and hospitals. How to make the cans stand out? Paint them pink. The idea caught on, and eventually groups throughout North America began displaying pink cans on their literature tables. In Northern California, the original one-quart paint cans have been replaced by plastic containers with screw-on, slotted tops. In the beginning, some members were afraid that donations to the pink cans would decrease group contributions, and mindful of that possibility, the committee has always emphasized the importance of providing clear information. They send each group a flyer explaining what the cans are for, print information in local A.A. newsletters, and always suggest that the secretary emphasize the importance of contributing to group expenses first. Some areas have come up with variations on the basic concept. Northern New Jersey, for example, implemented the idea of having jail boxes, and the area corrections committee sends each group a letter of introduction describing the need and the purpose. In the Southern Minnesota area, one of many that have embraced the pink can plan, an article in the area newsletter summed it up: "The pink can is not intended to detract from your group's normal Tradition Seven contributions. We look only to collect spare change from as many groups as possible. If your group already sponsors a facility with literature, your participation in the pink can insures that literature is reaching all facilities, not just one or two. Does your group have a pink can? What a positive way to turn pocket change into the promises of the A.A. message."

ATTACHMENT A

From:**AA Corrections committee workbook****Pages 17 – 19****Overview of Area 10 (Colorado)
Corrections Committee Structure**

The only purpose of the Area Corrections Committee is to carry the message of Alcoholics Anonymous to the alcoholic who is confined. The activities of this committee are based on and governed by the Twelve Traditions of A.A. Since our public relations policy is one of attraction rather than promotion, we serve any correctional facility at the invitation of the administration, ever conscious of the admonition “cooperation not affiliation.” The purpose of this committee is fulfilled in two ways: 1. Taking A.A. meetings into correctional facilities, and 2. Providing G.S.O. Conference-approved A.A. literature to inmates with monies collected by the “pink cans.”

The Area Corrections chairman is appointed to serve a two-year term by the Area chairman and is ratified by the Area committee. The Area Corrections chairman coordinates all Area 10 correctional activities, and appoints people to serve for two years in the following trusted servant positions:

Secretary—records and distributes minutes of all meetings.

Treasurer—receives all contributions made through the “pink can” program and other sources such as assembly funding and Conference funds.

Librarian—orders literature from G.S.O., maintains an inventory and distributes literature to A.A. facility contacts for all correctional facilities.

Archives—compiles historical records of all A.A. correctional facilities.

Conference chairman—conducts the annual Area Corrections Conference, which serves both as an educational tool and as an exchange of information between A.A. members and corrections-related professionals.

Corresponding/Prerelease Contact chairman—provides outside A.A. contacts to correspond with inmates and coordinates efforts to pair inmates being released with outside A.A. volunteers.

Regional chairman—serves as a link between the district corrections committee and the area corrections committee. The Area Corrections Committee is a clearinghouse for all corrections activities in the Area. It is administrative in nature. The work is done at the local level by A.A. members through the District structure.

Overview of Area 10 (Colorado) District Structure

District Chairman—is appointed for a two-year term at the district committee meeting. Responsibilities include coordinating all corrections activities in the district. Appoints/ approves A.A. facility contacts for each facility in the district. Works closely with the regional chairman to keep the area corrections committee informed on corrections activities in the district.

A.A. Facility Contacts—appointed/approved by the district corrections chairman. Coordinates all A.A. activities at the specified facility. Appoints A.A. meeting contacts to ensure all meetings behind the walls are covered.

A.A. Meeting Contacts—appointed/approved by the A.A. Facility Contact. Coordinates volunteers to cover A.A. meetings at the designated facility at the specified day and time.

ATTACHMENT A

Area 10 (Colorado) Seventh Tradition Support

General Funding: Area Corrections Committee receives funding from the area assembly to cover expenses of printing, phone, postage, and supplies (envelopes, etc.). The Corrections Conference is self-supporting through a registration fee and raffle, and the district structure is self-supporting through the Seventh Tradition and workshops.

Pink Can: This idea was “borrowed” from northern California. It began in that area in 1985. The only purpose of the pink can is to provide G.S.O. Conference-approved literature to those confined behind the walls.

Groups decide by their group conscience if they want to support corrections work in this way. If so, these cans are available through the Area Corrections Committee. Usually the can sits by the coffee pot or is passed after the regular Seventh Tradition at meetings. Those that wish to contribute may do so by putting in pennies, nickels, dimes, and quarters. The money is then sent to the Area Corrections treasurer for deposit into a “pink can” account. Checks and/or money orders are made payable to the Colorado Corrections Committee and marked for “pink can.” Checks are then issued to G.S.O. for literature. When a correctional facility needs literature, the A.A. Facility Contact places an order with the Area Corrections literature chairman. The literature chairman then fills the order and ships to the contact for distribution in the facility. In 1990, we were able to ship over \$18,000 worth of literature or over 15,000 pieces of literature (including 2,323 Big Books) to three federal C.F., four juvenile C.F., 17 state facilities, and 26 county jails.

Ways Committees Fund Literature for Inmates

Alcoholics confined in correctional facilities usually have just one A.A. meeting a week available to them, if they are lucky. A sizable number are on waiting lists and go to none at all. But, there’s another way to carry the message to these people: provide them with meetings in print through A.A.’s Big Book, pamphlets and the Grapevine. The only stumbling block is money.

How are local corrections committees funded? How do they accumulate literature for inside meetings? These questions have become a frequent refrain at all levels of service, including the General Service Office, where more than 90% of the letters that cross the Corrections desk contain requests for free literature. In the spirit of A.A.’s Seventh Tradition, the search is on for financing approaches that make practical as well as spiritual sense.

We have received some wonderful sharing on what some areas have done and hope this is helpful.

In New Hampshire, for example, the area assembly has allocated funds for the purchase of literature by the institutions committee. Additionally, book donations are received from groups throughout the area.

Libraries in some Texas area prison units are well stocked and maintained by a District Corrections Committee and individual A.A.s also contribute books, pamphlets and Grapevines.

In Kansas, it is reported that they have a yearly sum of approximately \$1,000 that is allocated for literature. Although this is the biggest item in their budget, it is still a

meager sum and a short while ago they started placing contribution cans at their meetings. As they tell all their members, even the smallest contribution helps.

ATTACHMENT A

In the Upper Peninsula of Michigan, a D.C.M. asked at an intergroup meeting if any groups would be interested in doing group Twelfth Step work by contributing money to buy literature for the correctional facilities in that area. The intergroup reps went back to their home groups and within two weeks, the representatives had received checks to buy over a case of portable soft-cover Big Books.

One group in Jacksonville, Florida, through a group conscience decision, sponsors a prison group. The outside A.A.s buy literature and contribute back issues of Grapevines, which they purchase in lots from the Grapevine office. Another district in Florida shares that any inmate who wants pamphlets has only to contact the corrections committee, and if he or she wants to buy books, the corrections committee will pay half the cost.

Area 44, Northern New Jersey, implemented the idea of having jail boxes in home groups throughout their area. While the idea is not new to the Fellowship, it is new to their area and one individual who established three jail boxes within his district was so successful that he was able to provide the A.A. meetings at his county jail with a threemonth supply of literature. Then, an A.A. volunteered to design the jail boxes so that there would be some uniformity to them. Each month, more and more of these boxes were being established and the committee felt that a letter of introduction describing the purpose and need should be written. These boxes allow individual A.A. members to take a more active role in carrying the message to the alcoholic behind the walls. Nickels, dimes and quarters quickly add up to dollars and it takes only a few dollars to purchase any of A.A.'s books. Several A.A.s in this area have purchased literature and written the address of their home group on the inside cover of the book.

The Northern California H&I Committee, which started the "pink can" idea many years ago, reiterates the idea that providing clear information is important. In Northeast Ohio, the area committee makes their groups aware of the need through periodic appeals to "dig deeper," and they respond generously, knowing that "but for the Grace of God, there go I."

A speaker at an area convention once inquired, "How many of you have ever been in prison?" About 100 people raised their hands. The speaker looked around. "How many of you should have been in prison," he asked, and everyone in the crowded room stood up. "That," says a member, "should say what our commitment is all about."

In Tennessee, one member adopted the pink can idea and added the slogan "Big Bucks for Big Books" on the cans. She shared this with the groups across the state and many also implemented the idea. Many groups found that when the can was passed around or placed by the coffee pots, donations seemed more generous and more frequent.

In Southwest Texas, Area 68, the Big Book Buy Back Program is a successful corrections committee funding effort conducted by many groups, districts, and areas, as well as at local Alcoholics Anonymous events. A table can be set up at a Corrections Facilities Conference or other Corrections event and contributions are taken in the amount of the current cost of one Big Book. That amount is then contributed to the various entities to be used for the Corrections Literature Fund for inmates.

ATTACHMENT B

NOTE – The portions highlighted below are selected to emphasize language that indicates the Pink Can Fund has been recognized and/or adopted by an Area, or District, as an official function of that portion of the service structure of Alcoholics Anonymous.

Correctional Facilities Chairperson Responsibilities

The N.I.A. Corrections Committee coordinates activities of individual A.A. members and groups, who are interested in carrying our message of recovery to alcoholics in correctional facilities. In addition, the committee supports the efforts of the Bridging the Gap committee.

- Perform all duties as outlined in the Service Committee Chairpersons Responsibilities section of this document.
- Communicate directly with members of the Area Corrections Committee on a regular basis.
- Develop and maintain, with the input and assistance of District Corrections Committees, lists of local and regional correctional facilities and organizations that exist in communities served by groups in N.I.A.
- Be available to participate at one or more meetings of correctional organizations in Northern Illinois Area each year.
- Maintain a continually updated list of all correctional meetings within the area and the sponsor(s) of these meetings.
- Facilitate the collection of pink can contributions.
 - Pink Can funds are to be used only for literature for Corrections.
 - Pink can contributions are collected by groups. Pink can funds may be used directly by groups or districts to purchase literature for corrections.
 - Excess contributions should be forwarded to the N.I.A. Treasurer. Pink can funds held by the Area Treasurer are available to Districts by making a request of the Area Corrections Chair.
 - Pink can funds are available to the Area Corrections chair.
- The Area Corrections chair will report to the Assembly when pink can funds are distributed.
- Partner with the Bridge the Gap committee in facilitating the Bridging the Gap, Temporary Contact or other twelfth step work of connecting the alcoholic being released from a facility to the A.A. recovery community.
- Chair the committee on Corrections at the Pre-Conference Workshop.

ATTACHMENT B

Western Slope District 22 (Area 07)

Pink Cans

H&I Q&A for the A.A. Fellowship of Northern CA – October, 2016

Q: Should our group stop passing the Pink Cans?

A: We earnestly ask that you don't and hope some of the information below will demonstrate why. To help ensure that the contributions to H&I don't interfere with the 7th Tradition collection, many groups have started passing the PC's at the END of the meeting rather than at the same time as the basket.

Q: Is it true that H&I has a Prudent Reserve over \$142,000?

A: Yes, this amount is equal to three months' operating expenses for 2015. This is a VERY CONSERVATIVE amount considering our high monthly cash flow. GSO maintains a twelve month Prudent Reserve and many Central Office/InterGroups with a lower monthly cash flow maintain a six month Prudent Reserve.

Q: How much DOES H&I spend monthly?

A: In FYE 2015, our average monthly expense was \$47,620; fully 95% of our total expenses for the year went to purchase and ship literature for the alcoholic who is confined.

Q: Hasn't H&I always had too much money?

A: No, this is a rumor based on a misunderstanding of our financial needs. Our committee provides about 35,000 meetings every year, carrying the message of A.A. to the confined alcoholic; we serve approximately 25 major state and federal institutions plus hundreds of local jails, hospitals, rehabs and other community facilities. Providing these confined alcoholics with literature which would otherwise be inaccessible to them involves over half a million dollars every year, and for many years we couldn't even afford to bring the equivalent of ONE BIG BOOK and ONE 12&12 into each meeting.

Q: Does H&I currently have a surplus?

A: Yes, as can be seen in our Financial Statement, which is published on our website, we currently have an operating account cash balance (in addition to our Prudent Reserve) of almost \$139,000. We have introduced the following motion, which passed by over 75% on the first vote:

"The Finance Committee recommends a motion to make a distribution of \$50,000 of our current surplus, in accordance with our 7th Tradition, in the following manner:

1. 60% (\$30,000) to InterGroups and Central Offices, which assist the H&I Committee by providing links on their websites, producing meeting schedules, forwarding phone calls and announcing H&I business meetings. Distributions to the various Areas will be made based on the number of meetings conducted in the Area.
2. 25% (\$12,500) to GSO, which could offset the need for AAWS to raise literature prices, since the NorCal H&I Committee is the largest single purchaser of AA literature
3. 5% each (\$2,500 each) to CNCA, CNIA and NCCAA."

ATTACHMENT B

If passed, this would leave us with approximately two months' running expenses in our operating account, which is a standard amount of unrestricted cash on hand. We hope that by distributing our funds in accordance with our Traditions, we will demonstrate that when we DO have a rare surplus we do the right thing with it, and that this will not be used as an excuse to stop passing the Pink Can.

Q: Don't your Pink Cans say the money is to provide literature for hospitals and institutions? Wouldn't giving that money to other service committees conflict with that?

A: Like any other A.A. Ninth Tradition service committee, we are governed by the Twelve Traditions. Similarly, if a group sends a portion of their money to their Central Office, they do so with the intention that the money will be used to cover the Intergroup's stated expenses and trust that if they have a surplus, they too will distribute it according to our Traditions.

Q: is it true that H&I has surplus stores of literature?

A: Our Literature Policy specifically prohibits "stockpiling" literature; if it is discovered that there is an excess of literature at either a facility or in an Area, the excess is returned to the Literature Chair for redistribution. Additionally we now have a system whereby we regularly review literature usage to catch anomalies of either over or under usage.

Cleveland, OH

From the Corrections Committee:

Pink Cans are found at some meetings, but what are they? Pink Cans are the beginning of a twelfth step journey that ends up in the hands of an incarcerated individual in the form of a Big Book or other conference approved literature. All the money that members of AA place into the Pink Can is used to purchase literature. 2018 Pink Can donations totaled \$18,330.76 and 2018 literature purchases amounted to \$17,031.64 – \$500.00 is kept in the treasury as a reserve. Once the literature is purchased our volunteers, who bring AA meetings into the prisons and jails, hand them out to the inmates thus completing the journey of the Pink Can. The Pink Can money is never used for anything else, office supplies come out of the Operating Committee which is funded by the committee's 7th step contributions. Thank you so much to everyone who donates to the Pink Can.

If you like rewarding twelve-step work then the Corrections Committee is for you. The Corrections Committee provides AA conference approved literature, through group donations (e.g. Pink Can fund drive) for incarcerated men and women in our area. Everyone is invited to attend the monthly business meeting help at the AA Cleveland District Office conference room. Meetings are held the first Monday of every month at 6:30 pm. (second Monday if the first is a holiday). We have an opening for a secretary and a literature coordinator, the only requirement is one year of sobriety.

Thank you,

ATTACHMENT B

Joanne H., Chairman
Corrections Committee

Area 50 Western NY

The Corrections Committees single purpose is to facilitate AA members in carrying the message of Alcoholics Anonymous to the alcoholic who is confined in a correctional facility. The activities of this committee are based on, and governed by, the Twelve Traditions of Alcoholics Anonymous.

For further information contact Corrections Chair.

Our primary activities are:

Coordinate with District Chairpersons, Intergroup chairs, Correctional Facility Contact persons and AA volunteers to take AA meetings into correctional facilities.

Provide AA conference approved literature from the Pink Can contributions. The Area 50 Pink Can system was begun as an effort to provide literature to incarcerated alcoholic inmates, by circulating Pink Cans at meetings to collect contributions from AA members. All money from the Pink Cans is sent to the Corrections Treasurer, who deposits it in a fund which is used only for the purchase of AA conference approved literature, Grapevines, and La Vinas.

Pink Can contributions to be used for inmates incarcerated as follows:

- County Jails (with the exception of those involved in most work release programs).
- Western New York State Prisons.
- Federal Prisons located in the State of Western New York
- Juvenile lock down Facilities.

Postage and other expenses regarding Pink Can literature are paid out of the Area 50 Corrections Committee yearly budget.

Encourage correspondence contacts for inmates. This provides an opportunity for AA volunteers to correspond with inmates both state wide and nationally.

Host the Area 50 Corrections Conference working through the efforts of a district hosting committee. The Corrections Conference takes place in April each year. The Conference brings AA members together with corrections professionals to further a mutual understanding of our goals.

Encourage the temporary contact of volunteers and alcoholic ex-offenders, which will help support them find a meeting, and merge into the mainstream AA community upon their release.

ATTACHMENT B

Support statewide activities and assemblies at local AA community events by setting out an informational table with all appropriate corrections materials, whenever possible.

If you are interested in becoming a volunteer please contact the Area 50 Corrections Chair.

To make **PINK CAN DONATIONS** make Checks or Money Orders out to Area 50 Corrections Committee.

Northern California

Finances

The only purpose of the Northern California Hospital and Institution Committee of Alcoholics Anonymous is to carry A.A.'s message of recovery to confined alcoholics who can't get to outside A.A. meetings.

The approved source of income for the Northern California Hospital and Institution Committee is from the Pink Can collections at A.A. meetings and activities, from other donations by A.A. groups, and from personal contributions by A.A. members. Funds collected in the Pink Cans are 'dedicated funds' given by group members specifically for the purpose of supporting the work of H&I and cannot be used for any other group purpose.

If it comes to the attention of the committee that an A.A. group is not using the Pink Cans for the above purpose, a member of the committee should contact that group and encourage them to do so.

The NorCal H&I Committee requests that the Pink Cans be passed separately from and after the baskets to avoid subtracting from support of the 7th Tradition and encourages all members to remove the cans from the baskets if they are being passed together.

To make a contribution:

- You can contribute online
- Or by mail (please do not send cash by mail)
- Make checks payable to: NORCAL H&I
- Include the H&I Area for your group in the memo portion of your check; if you don't know which H&I Area your group is in, you can check the H&I Map or simply write in the name of the County where your meeting is conducted. Please include a contact phone number on your check.
- Note: due to forwarding from our P.O. box, it may take up to 4 weeks before a check is deposited at the bank

ATTACHMENT B

- If you would like a receipt, please include your group name and a self-addressed envelope or email address
- If you would like a hard copy of the monthly Financial Report, please include a self-addressed envelope or email address. E-copies of the report can also be downloaded below.

Mail to:

Hospital & Institution Committee

Additional H&I Financial Information:

FYE 2018 Pink Can Annual Report

H&I Funds Q&A, 2018-11-30

Funds Fact Sheet 2018-11-30

District 37 SW Washington Corrections

3.0.5 Corrections Facilities Committee Chairperson(CF)

The Corrections Committee Chairperson will hold a committee meeting each month on the designated standing committee night as determined by the district. The Chair represents District 37 on the WWA Corrections Facilities Committee and is expected to attend that committee's four quarterly meetings. She/he is also expected to attend the District Business Meeting, and report on the committee's corrections related activities. The CF chair must be knowledgeable of the various facility clearance requirements and is available to assist group members in securing and completing the necessary paper work for facility access. The CF chair also encourages AA members' participations in the Corrections Bridge program and the Corrections Correspondence Program.

- Appoint a "Pink Can" fund Coordinator. Responsibilities for collection, accounting and reporting to the District 37 "Pink Can" fund for specific donations for corrections literature. The reports should be submitted to District 37 GSRs for monthly review at the Districts meetings.
- The Bridge Program – Bridging Corrections is a program thru Alcoholics Anonymous to help people leaving a correctional facility become acquainted with A.A. and attend A.A. meetings in their home town, after they are released.

Area 20, District 42 Corrections Chair

ATTACHMENT B

- The Committee Chair must have no "Wants or Warrants", including parole and / or probation for at least five (5) years, or, as per each Facility's rules. The Committee Chair should have at least five (5) years of continuous sobriety, and be sponsored currently.
- The Correctional Committee (CF) Chair coordinates District 42 activities related to carrying the AA message to incarcerated individuals. The activities of this Committee shall be in accordance with the guidance provided in the GSO Correctional Facilities Workbook. The CF Chair should have a strong knowledge of the Twelve Traditions.
- The CF Chair is responsible for recruiting and training volunteers to share the AA message with inmates. The Chair shall also have frequent contact with JUST of DuPage.
- The CF Chair should participate in District service workshops to train and to recruit correction facilities volunteers.
- The CF Chair shall maintain a supply of AA-approved literature for use while visiting individuals in DuPage County Jail and other Correctional facilities. This material must also meet the requirements of the respective facility.
- All CF Committee members must pass the respective background checks of the facilities being visited, as well as have no "Wants or Warrants" for a period of five (5) years, or as per each Facility's rules.
- The CF Chair shall promote the use of the Pink Can fundraising effort.
- The CF Committee Chair should also work in cooperation with other Committee Chairs and other CF Committees in the Area, such as Districts 40, 41, and 43.
- The estimated time required for the CF Committee Chair is expected to be approximately five (5) hours per month, including District Business meetings and NIA assemblies.

The Pink Can in Northern Illinois

A lot of people have questions regarding the Pink Can in Northern Illinois. How does it work? Why does it sometimes seem to have a lot of money in it? What is the flow of money from District or meeting to NIA? How are Pink Can funds distributed? In 2018, a total of \$9,675 was disbursed from the Pink Can in Northern Illinois. After every Area Committee Meeting and Assembly my report will be on the NIA Website so that anyone can see how the money was spent (the report will encompass the entire year). When a District or a meeting sends Pink Can money to the NIA Treasurer (it must be earmarked "pink can" on the envelope), the Treasurer adds it to the spreadsheet of available Pink Can funds and it goes into the NIA bank account. Since these are funds for a "stated purpose", they are allowed to accumulate. When I receive a request from either a corrections facility, a volunteer in corrections, or someone who is designated by a jail or prison to provide literature, I then order the literature and have it sent to the address they request. It's ordered from AAWS and shipped from there. It's helpful if the order is more than \$500 because, at that point, shipping is free. Shipping is very expensive under \$500. If you volunteer in a Correction facility and feel that your facility is in need of literature, please contact me (Corrections Chair, through the NIA website) and I'll be happy to order what you need. Keep in mind, I cannot decide to disburse funds without a literature

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request. I am happy to come to your District meeting to explain the Pink Can, or to have a workshop in your District. In Service, Dawn B NIA 20 Corrections Chair

Area 18 District 1 Service Structure Guidelines

3.1 H&I – The Hospitals and Institutions Committee will coordinate the flow of information and activities pertaining to carrying our message of recovery to alcoholics in hospitals and alcoholic treatment and rehabilitation facilities. The committee will work with correctional institutions to coordinate activities pertaining to carrying our message of recovery to alcoholics in such institutions. The committee shall maintain a separate checking account requiring two signatures and submit a monthly report to the District.

A. Hospitals and Institutions Committee collects donations from AA members by placing "Pink Cans for H&I" at District 1 Group meeting places. Contributions from "Pink Cans" may be used for the acquisition of literature and Hospital and Institutions within the H&I Committee's area of service responsibility, these expenses include postage, printing costs, book stamps, meeting rent and the Bridging the Gap post office box. The H&I Committee is obliged to respond, if requested, to group request for financial accounting of Pink Can contributions monthly. An accounting of Pink Can finances will be a part of annual reporting.

Northern New Jersey Corrections Home

The CFC supports and helps facilitate the efforts of individual A A Members and or Groups who are dedicated to carrying the A A message of recovery to Alcoholics who are in jails, prisons and juvenile centers.

We strive to achieve this goal in several ways:

- Regularly chairing meetings inside these institutions
- Volunteering to speak at a facility
- Corrections Correspondence by writing to a prisoner
- Prerelease Program which matches an AA volunteer on the outside with a recently released prisoner to initially introduce them to local A A groups and sponsor
- A "Pink Can" for financial contributions to purchase literature for prisoners.

Each of these forms of service helps us to better attain our primary purpose, which is to carry our message of recovery to the alcoholic who still suffers inside a correctional facility.

2021 Conference Committee on Finance

ITEM D: ARCHIVAL RESEARCH OF ORIGINAL BACKGROUND

CONFIDENTIAL: This is background for the 71st General Service Conference, and as such may be a confidential A.A. document. Distribution is limited to A.A. members. Placement of this material in a location accessible to the public, including aspects of the Internet, such as Web sites available to the public, may breach the confidentiality of the material and the anonymity of members, since it may contain members' full names and addresses.

eral attitude, however, and its effect on contributions is probably small. This is not at all the gen-

Next comes the question of whether A.A. as a whole should go in for what amounts to a money charity to individual newcomers and their sponsors — via the selling of our books at cost or less. Up to now we A.A.'s have strongly believed that money charity to the individual should not be a function of the A.A. groups or of A.A. as a whole. To illustrate: when a sponsor takes a new member in hand, he does not in the least expect that his group is going to pay the expenses he incurs while doing a Twelfth Step job. The sponsor may give his prospect a suit of clothes, may get him a job, or present him with an A.A. book. This sort of thing frequently happens, and it is fine that it does. But such charities are the responsibility of the sponsor and not of the A.A. group itself. If a sponsor cannot give or lend an A.A. book, one can be found in the library. Many groups sell books on the installment plan. There is no scarcity of A.A. books; more than a half million are now in circulation. Hence there seems no really good reason why A.A. services should supply everybody with cheap books, including the large majority who can easily pay the going price. It appears to be altogether clear that our world services need those book dollars far more than the buyers do. We have another concern, and this is related to so-called book "profits." The

EXCERPT FROM WARRANTY TWO:

“Next comes the question of whether A.A. as a whole should go in for what amounts to a money charity to individual newcomers and their sponsors – via the selling of our books at cost or less. Up to now we A.A.’s have strongly believed that money charity to the individual should not be a function of the A.A. groups or A.A. as a whole. To illustrate: when a sponsor takes a new member in hand, he does not in the least expect that his group is going to pay the expenses he incurs while doing a Twelfth Step job. The sponsor may give his prospect a suit of clothes, may get him a job, or present him with an A.A. book. This sort of thing frequently happens, and it is fine that it does. But such charities are the responsibility of the sponsor and not of the A.A. group itself. If a sponsor cannot give or lend an A.A. book, one can be found in the library. Many groups sell books on the installment plan. There is no scarcity of A.A. books; more than a half million are now in circulation. Hence there seems no really good reason why A.A. services should supply everybody with cheap books, including the large majority who can easily pay the going price. It appears to be altogether clear that our world services need those book dollars far more than the buyers do.”

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Bedford Hills, N. Y.
March 22, 1958

Dear 

It was fine to hear from you again. We old timers are getting more and more separated. My nostalgia for the old days is often with me and letters like yours bring it back.

You raised a time-tested question, "What about a cheap edition of the A.A. book - maybe a fifty-cent paperback?" This question raises a considerable number of other questions, having both a practical and spiritual bearing. Sometimes I write letters like this in order to clarify my own thinking and to put my views on the long-time record. Besides, I would like to have your reaction to what is said below.

First, let's take a look at the early history of the cheap-book question. The issue of a low-priced book versus a higher-priced one was seriously and heatedly debated for several years after the Big Book came out in 1939 at \$3.50. In this era, the majority of A.A.'s were doubtless in favor of a one-dollar job. When we announced the \$3.50 price, the reaction was very strong (and to some extent unreasonable): "Bill had let A.A. down", "The price is too high for the poor drunk", "Since everything in A.A. is free, why not a give-away book?", "Because A.A. is non-profit, why should the groups and the New York Headquarters make a profit?". As for royalties to Dr. Bob and me - well, that made us profiteers, if not racketeers.

From the point of view of many of the membership, these were powerful arguments. A give-away book was the purest kind of spiritual enterprise. But a volume decently bound and priced within the normal trade range, a volume which would help carry the expenses of A.A.'s Headquarters, was looked upon as a pretty fearsome evil. Consequently, I fell under the severest criticism of my

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whole A.A. life. At one time, a large committee of A.A.'s interrogated Dr. Bob and me on the question of our financial honesty as it related to the A.A. book.

Yet our history proves that the sometimes idealistic majority of that day was seriously mistaken. Had there been no book earnings for the Headquarters and no royalties for Dr. Bob and me, A.A. would have taken a very different and probably disastrous course. Dr. Bob and Sister Ignatia could not have looked after those 5,000 drunks in their hospital pioneering at Akron. I would have had to quit full-time work fifteen years ago. Our book would have been in the hands of an outside publisher. There could have been no Twelve Traditions and no General Service Conference. Financially crippled, the Headquarters could not have spread A.A. around the world. Indeed, it might have folded up completely. Lacking close attention, our public relations would certainly have gone haywire. Anonymity at the public level, our greatest single protection, would have evaporated. Consequently our unity would have been lost.

All of this would have come to pass had not earnings of the Big Book plugged up the often large deficits in group contributions to Headquarters. In the 1945-1950 period, for example, I saw our reserve fund of \$100,000 drop to \$40,000 in three hectic years. In these years the A.A. General Service Office and the A.A. Grapevine once reached a combined deficit of \$3,000 a month. It was the book money that kept us afloat and enabled us to re-organize the service office and put today's General Service Conference into operation. A cheap A.A. book would have been a practical and spiritual mistake of major proportions. The A.A. message would have been carried to the few instead of to the many. There is not the slightest doubt about it. Everybody who now wants a fifty-cent paperback should bear this part of our history seriously in mind.

Have conditions changed so much in the last few years that a cheap book is now feasible? That is the real question now before us, and I shall be glad to see it debated at the coming April Conference. It is to be hoped, though, that the Conference and the A.A. groups will carefully inform themselves on the pros and cons of this important question before reversing a vital and successful policy now twenty years old. This is why I'm now carefully detailing my own slant for whatever help it may be.

Let us look first at the hoped-for advantages of a fifty-cent paperback A.A. book. We hope to sell them in great volume in big city drugstores and on newsstands. Largely for its own benefit, A.A. has a cheap pamphlet literature, but we have nothing comparable that much reaches the general public. In ultra-cheap form, the A.A. book might do this. The public might be better informed, and we might bring in a lot of new members.

The next hoped-for advantage would be a larger circulation within A.A. itself, where newcomers and their sponsors are the principal buyers of the present volume. Because we would save most of the sponsors and large numbers of newcomers \$4.00 on each book purchase, it is thought that inside distribution would increase greatly. Then, too, a give-away book would put A.A. Headquarters on a non-profit basis. This, some think, would increase the spiritual estate of A.A. and better carry the message. This is the sum of our hopes for a fifty-cent A.A. book.

We therefore need to freshly review the matter and finally ask ourselves this question: "Would cheap or ultra-cheap A.A. books be good for us now - or ever?"

A.A.'s trusteeship, the General Service Board, has a reserve fund which has been slowly accumulated out of book earnings over the years. This fund is equal to one year's running expense of the Headquarters. We think it is our chief

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protection against hard times and the possibility of a large drop in group contributions. Even in good times, group contributions have often failed to pay Headquarters' expense by a considerable margin. If we could actually collect from every recovered A.A. member the annual cost to each would be only one dollar a year. In practice, we ask for \$2.00 a member and get far less. The A.A. office ran \$15,000 in the red in 1957 and The Grapevine had an operating deficit of \$10,000. Since this is a frequent situation in good times, what would actually happen to us in hard times?

Several financial experts, widely known in the business world, now serve on our Headquarters reserve fund committee. They think it definitely possible that the U.S. may get into severe financial trouble in the years ahead, and perhaps soon. We may, they think, see a real depression which could conceivably be followed by the worst inflation yet.

If times got this tough, A.A. Headquarters might easily lose thirty percent of its present group contributions. This would mean \$50,000 annually.

In hard times, A.A. members and their groups will surely look after themselves. But in such circumstances, how well would they take care of their General Headquarters? Having never been through such a time, nobody can say. We can't even make an informed guess. We simply know that our Headquarters still runs deficits. We also know that one-third of the A.A. groups, representing 50,000 members, send Headquarters nothing, even in boom times. We therefore have no reason to believe in Santa Claus. That is why we have insisted on building up our reserve fund. It is our primary protection against the impairment or collapse of A.A.'s General Services; those services which have spread the good word throughout the world and which we ought to maintain in full strength, especially in times of financial hardship, when A.A. will be even more in demand.

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There are those who feel that a fifty-cent book would not seriously cut into the sales of our \$4.50 edition. But would it not? Let us assume that on each group book table we lay a fifty-cent version alongside the \$4.50 job. What will newcomers and their sponsors do about this opportunity? May not the newcomer, who has just spent \$100 on his last bat and another \$100 on his hospital care, be pretty sure to say, "Well, I'd better save that four dollars. The fifty-cent book will do me now." What will our active Twelfth-Steppers say? Won't these sponsors exclaim, "Gee, this is wonderful. This is going to save us \$25 a year apiece. We'll give our prospects fifty-cent books. Later on, when they are able, they can buy the \$4.50 edition." Under these conditions, who would care to bet that sales of the present book would not drop heavily?

What, then, might be the actual effect of a fifty-cent book on the \$4.50 sales? How much could this actually cost A.A.? Let's make the estimate that big book sales might drop by one-half, or 10,000 copies a year. The losses would then be as follows: The groups would lose \$5,000; Headquarters and the reserve fund, \$15,000; and W.G.W. would lose \$7,000 a year in royalties, one-third of his income. Total loss - \$27,000 annually.

Maybe, too, the popularity of the fifty-cent version might force us to put out paperbacks of "The Twelve Steps and Twelve Traditions" and "A.A. Comes of Age". The total loss on book earnings, to all concerned, might run to \$50,000 a year. On top of that, suppose group contributions ran a deficit of \$50,000 because of hard times. In that event, we'd be broke for sure. The cheap books might (or might not) still be carrying the message. But A.A. Headquarters certainly would not.

At Headquarters we are finding many able volunteer service workers. One of these is the Vice-President of a large book publishing house. He understands book markets, inside A.A. and out. He emphatically points out that ultra-cheap

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p301 A.A. books, especially paperbacks, could severely damage our present sales and income. Wouldn't it therefore be wise to ask ourselves, "Can we afford those cheap books now?"

There has been some hope that the volume of fifty-cent book sales would be so huge on the public market that we would not lose much money anyhow. But this is one of those situations on which no reliable estimate can be made. As A.A. Publishing cannot go into newsstand or drugstore distribution, we would have to let an outside publisher do the job for us. Such a publisher would be the sole source of supply. Even if such a paperback house sold a million copies a year, the return to A.A. Publishing, Inc. in royalties and profits would not exceed \$10,000. This estimate may of course be far too optimistic. A preliminary investigation among publishers indicates that such a sale is to be questioned. Horse-sense suggests this, too.

The main market for cheap paperbacks is dominated by former best-sellers, murder mysteries, sex novels, science-fiction, and the like. Large and sustained volume is possible because of the huge public interest. Now the A.A. book has been on sale for almost twenty years, in bookstores. Alcoholics Anonymous and its Big Book have received vast advertising in all public media and this still continues. Nevertheless, our sale to the public has never been more than a dribble; it hasn't averaged 1500 copies a year. So how can we have any assurance if we put a fifty-cent A.A. book on newsstands and in drugstores that sales are suddenly going to jump from 1500 books to one million, or one hundred thousand, or even ten thousand? Nobody seems to be able to predict with confidence what a specialized textbook like ours would do if put on cheap sale with whodunits and science-fiction in these city outlets. If we did fail to sell a large volume, we would have mostly failed our spiritual purpose of carrying the A.A. message.

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h3.2 Compared to the vast publicity that A.A. already gets, the effect could not be very great in any case.

Next let us inquire if there is any real shortage of A.A. books and reading material inside A.A. Let's also ponder whether our poorest members are really deprived of their chance at the A.A. book because we still lack a fifty-cent edition. Also, whether our excellent pamphlet literature cannot pretty well fill the need of such newcomers when necessary. We know that 350,000 A.A. books have already been distributed and that a half-million good pamphlets hit A.A. every year. Who knows anyone in A.A. that hasn't been given a book, who can't borrow a book, or who can't buy one from his group on partial payment, or find the Big Book in a local library? Hardly anyone need be deprived from reading the present volume if he will make even a little effort to lay hold of a copy. Of course there are some exceptions, but these are being met; we already send gift copies of the Big Book to prisons and the institutional groups.

There might be certain spiritual advantages in a cheap book literature, but there would also be definite spiritual disadvantages.

Most emphatically, A.A. is a program of personal charity and personal responsibility. At A.A. Headquarters and out in the groups we have always been very careful to avoid doing for the individual that which he can do for himself. For example, who can say that any of the 350,000 buyers of the A.A. book would be better off today if we had offered them fifty-cent copies?

And why, since the vast majority of A.A.'s are by no means poor, should we present them with what would amount to a \$4.00 money charity in this form? Would newcomers gain spiritually by buying cheap? Would sponsors likewise gain if we presented them with a fifty-cent edition as a give-away to their prospects?

A little thought reveals that this give-away book project runs counter to the whole trend of A.A. today. Long ago we pushed this whole matter of money

b303 charity straight back onto the individual, where we think it belongs. True, we say there are no fees or dues. Each group nevertheless reminds its members they have a personal responsibility to put some money in the hat. Club membership isn't free forever, either. Club dues aren't fifty cents a member, with somebody else making up the deficit. They are often five dollars a month - more than the price, by the way, of an A.A. book. We don't hear any more about free-for-all state conventions with a nominal hat-passing on the last day. Groups and areas sell convention tickets for enough to carry the freight, thereby paying the bill promptly and holding members to their individual responsibilities. Hardly anywhere do we do things cheaply any more. We get the best surroundings we can, whether in meetings, clubs, conventions or banquets. Probably there are ego factors concerned in these attitudes. But mainly I think they have to do with our self-respect. A.A. avoids the ultra-cheap whenever it can. So, why a fifty-cent A.A. book?

There is also the question of who is best able to pay for a given service - in this case, a give-away book program. Is it the individual A.A.'s, the A.A. groups, or is it A.A. as a whole? Obviously, the combined wealth and income of individual A.A. members is the real reservoir and source of money. The combined income of all alcoholics who have recovered in A.A. is easily one billion dollars a year. Compared with this, the money coming into our 7,000 A.A. group treasuries is a trickle. Compared to the funds that flow into local treasuries, the contributions to A.A. Headquarters are certainly peanuts. Our international treasury and reserve fund doesn't contain even one dollar for each alcoholic who has recovered in A.A. Neither do these alcoholics supply these reserve funds; the book buyers do it. Probably half of the alcoholics who have recovered in A.A. over the years have never, directly or indirectly, sent a cent to Headquarters. Maybe our Headquarters financial statements look like big money to some. But these monies represent only the tiniest fraction of the total wealth and earning

power of the members of Alcoholics Anonymous. A.A. Headquarters - A.A. as a whole, if you like - is relatively as poor as a church mouse. Should the Headquarters, the poorest part of A.A., now undertake to finance the richest part - the individual A.A.'s - with a fifty-cent book? Does this make sense - practically or spiritually?

There is, too, the matter of the dignity of the A.A. book. To many A.A.'s the Big Book is a most respected and treasured possession, a source of endless benefit and inspiration. How many of us, then, would like to see our A.A. book set dirt cheap on newsstands alongside the whodunits?

Up to this point I have tried to review the pros and cons of cheap A.A. books. Conceivably I've been biased by the fact that I receive royalties on the higher-priced volumes we now have. Certainly my report should be read with this possibility in view. However, I'd like to show below the efforts I have made to avoid too much bias in my own behalf. The time is also here, I think, for me to make a complete disclosure of my personal royalty situation, bound up as it is with the price of our A.A. textbooks.

When A.A.'s learn that my present royalty income is running above \$20,000 a year, I cannot blame them if they call that figure into question. This is particularly true where they have no more information than just the size of my royalties. As they have a right to question, so do they have a right to answers - all of the answers. I'm going to explain below what my entire income situation is, and has been. Only then can a judgment be fair to A.A., and to me. So here goes:

1. I've served A.A. Headquarters for twenty years, largely full time. Under the A.A. Tradition, as a full-time worker, I could have been paid a salary by the A.A. groups. But I've always refused to take this form of compensation. I've never received a cent of payment out of group contributions. Nor would I ever want this, either as

a salary, pension, or annuity.

2. During seven of the early years of A.A., my average income was \$1700 a year, none of it coming from A.A. groups. Lois pieced this out by working in a department store.
3. During the 1945-50 period, the Trustees generously gave me \$10,000 to raise the mortgage and to improve our home. This home has received 3,000 A.A. visitors. But this \$10,000 was not group money, it was book money. From 1940 to 1945, Dr. Bob and I each received \$1500 a year - a result of the Rockefeller Dinner. This helped to keep us going, but it was not group money. Outside of royalties for authorship of the A.A. book, we have never received compensation from the fellowship.
4. During the first four years after its publication, Dr. Bob and I took no royalties from the A.A. book because the money was needed at Headquarters. During this interval, the proceeds of the Rockefeller Dinner were augmented - in my case - to the extent of \$25 a week. But this, too came out of the book earnings.
5. I was one of the organizers of Works Publishing Company, now A.A. Publishing, Inc. For this organizational work and later management of the outfit, I received a one-third stock interest in the original company. This interest came out of the cash subscribers to the book and not from the A.A. groups themselves. Due in part to my work with the book company, the A.A. groups and their Headquarters, in twenty years, have made a net profit of half a million dollars on the book "Alcoholics Anonymous". This was the sum that actually spelled the difference between great success for A.A. and little or no success.

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6. In 1940 it was seen that Alcoholics Anonymous, through the Trustees of the Alcoholic Foundation, should own the book, "Alcoholics Anonymous". The book, we thought, should belong to the movement and not to individuals. Consequently I then donated my one-third share to the Alcoholics Foundation, now A.A.'s General Service Board.
 7. Due to the enormous growth of A.A. and the publication of two more books, the value of my one-third interest in the publishing company has very greatly increased. My former one-third share has earned \$90,000 for A.A. It has a present capital value of at least \$100,000. So, in effect, I've made a cash donation of \$100,000 to Alcoholics Anonymous.
 8. Since we are looking at the pro and con of my money income, the value of my full-time services to A.A., over and above authorship, ought to be considered. I mean for Headquarters management, policy formation, public relations, guidance and the like.
 9. It is of course true that many an A.A. gives a lot of volunteer time to Headquarters. Sometimes this is done at a personal financial sacrifice, the time being taken out of business hours. But as my service has been virtually full time, I've been quite deprived of business opportunities on the outside. So then, in money terms, what would my special services, outside authorship, be reasonably worth? Clearly, my twenty-year service was a contribution having an actual money value, even though I didn't receive payment for it.

Considering the rates at which we pay top management of the A.A. office today, I think the fair value of my past services

might be \$10,000 a year. On this basis, my twenty-year Headquarters service would have a fair money value of \$200,000. Added to my stock donation, this would make my total cash contribution to Alcoholics Anonymous something like \$300,000 to date.

10. My royalties have been much less than this figure. I've received all told, something less than \$200,000. In cash terms, this means I have put more money into A.A. than I have taken out.

Consequently I feel my present royalties have been well earned; that they are perfectly reasonable.

11. In recent years, I have been given about \$300 a month as an expense allowance. This has come out of book earnings only. It covers about one-third of the operating expense of my home at Bedford Hills. My home has been a sort of world center, where much A.A. policy has been formed and business transacted, and where several thousand people have been received as guests. The out of pocket outlay has always been considerable, but today I'm reimbursed as shown above.

This, then, is my personal financial accounting for the years of my stewardship of Alcoholics Anonymous. I hope it will be the opinion of most members that I deserve what I have received. If, however, our fellowship doesn't agree, an effective remedy has been provided.

In 1954, I made the General Service Conference of Alcoholics Anonymous this promise: (a) That, if at any time it is felt that my royalty income was never sufficiently earned, and therefore too high, I will forthwith reduce the figure to whatever sum the Conference may suggest; (b) That the Conference may

also ask me to lower my royalties for the reason that a person holding the position of co-founder should not receive so much income, whether earned or not. I have often renewed this promise, and mean to keep it. On these two grounds, the Conference can cut my royalty income anytime it likes.

But, I would not like to see my income reduced in order to finance giveaway book literature as I can't think the issue is vital enough to warrant that. If the survival of A.A.'s Headquarters or A.A. itself were in question, I would of course feel differently. Were a cheap book ever issued, I would naturally expect additional royalty compensation on the present books, provided it were clear that I would be a heavy loser.

As a matter of fact, I've already made a sizable contribution to cheap literature for A.A. In 1949, the A.A. book sold 26,000 copies annually. In 1954 its sales had dropped to 18,000. Despite our improved second edition and a far larger membership, its sales are today averaging but 22,000 copies a year. In the 1949-54 period we created a large line of good pamphlets, and their sales have since soared to a half million copies yearly. The indirect competition of these pamphlets has doubtless reduced book sales and royalties. This is all to the good, and I'm for it: I'm only too glad to make such a contribution. But I would be most reluctant to see cheap books placed in direct competition with the present ones and then be asked to help foot the income loss. I cannot think of any A.A. member who would not regard it as a joke were he asked to do anything of the kind. To this extent, I'm certainly interested in the maintenance of my personal income. It would be false humility for me to say I'm not.

There is another point which concerns future royalties, which will of course still be payable to me after my retirement and during the life of the copyrights. It is a historical fact that many political and religious societies have fallen into disagreement with their founders or originators. Sometimes

F 4 2

p 319

- 14

they have been right about this, sometimes not. Hence, I wouldn't necessarily feel like reducing my royalties in such an event. I say this because my future royalties have already been earned. Therefore I doubt if I ever ought to accept a royalty reduction for such a reason. Admittedly this is a pretty forthright statement, and it concerns a rather improbably situation. Nevertheless I find I still have to be realistic in some matters, just as other people do.

Of course I have been reluctant to talk about my personal affairs in this fashion. Yet the time seems to be here when I can scarcely do less. I hope and believe that someday this letter will find favor in our membership. Meanwhile I shall submit it to the Conference members for their opinion.

And I would like your reaction, too. Don't hesitate to make it an adverse one, if you feel that way. Please believe that I don't want to fool myself or anyone. Hence I'm offering this trial balloon for what it may be worth. While this letter cannot be published prior to Conference debate, you might like to show it privately to a few people. Their opinions could help us to see whether I'm making sense.

Thanks for doing all this reading. Your friendship and advice will be always treasured.

Gratefully,

Bill

P.S. I forgot to say that in 1957 a CPA audit was made of my entire personal income which covered the eighteen years preceding. At Conference time, this accounting is available for the inspection of any Delegate. A copy is also on file at A.A. Headquarters where it may be inspected by any A.A. member who calls there and wishes to see it.

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2021 Conference Committee on Finance

ITEM E: Review suggested area contribution for delegate expense for the Conference.

Background:

1. History of Contribution Limits

HISTORY OF DELEGATE FEES

Conference Area Delegate Fees

1969		\$150
1974	\$150	\$200
1978	\$200	\$300
1984	\$300	\$400
1989	\$400	\$600
1997	\$600	\$800
2005	\$800	\$1,200
2012	\$1,200	\$1,600
2017	\$1,600	\$1,800

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2021 Conference Committee on Finance

ITEM F: Review the Conference-approved level of \$10,000 for individual bequests to the General Service Board from A.A. members.

Background:

1. History of Contribution Limits

HISTORY OF CONTRIBUTION LIMITS

Bequest Contribution Limits

1967	\$100	\$200
1972	\$200	\$300
1979	\$300	\$500
1986	\$500	\$1,000
1999	\$1,000	\$2,000
2007	\$2,000	\$3,000
2012	\$3,000	\$5,000
2019	\$5,000	\$10,000

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2021 Conference Committee on Finance

ITEM G: Review the Conference-approved maximum annual contribution of \$5,000 to the General Service Board from an individual A.A. member.

Background:

1. History of Contribution Limits

HISTORY OF CONTRIBUTION LIMITS

Individual Contribution Limits

1967	\$100	\$200
1972	\$200	\$300
1979	\$300	\$500
1986	\$500	\$1,000
1999	\$1,000	\$2,000
2007	\$2,000	\$3,000
2018	\$3,000	\$5,000

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2021 Conference Committee on Finance

ITEM H: Review the “Google Grants and the Seventh Tradition Report.”

Background:

1. Google Grants and the Seventh Tradition Report

Google Grants and the Seventh Tradition Subcommittee Report January 11, 2021

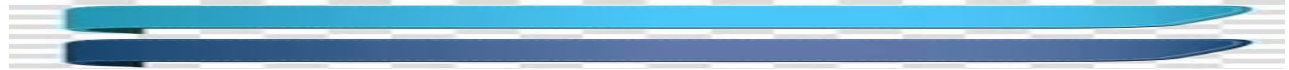
Introduction:

The Trustees' Finance Committee (TFC) subcommittee on "Google Grants and the 7th Tradition" was formed by TFC chair Leslie B. at the August 2, 2020 meeting of Trustees' Finance Committee in order to examine the findings contained in the report of the prior iteration of this subcommittee (a draft report never approved by the full Trustees' Finance Committee). This committee met via teleconference five times in the period from October 1, 2020 through January 11, 2021 and was comprised of Jimmy D. (chair), Carolyn W., Cindy F., Josh E., and Leslie B. with staff secretary Racy J. and staff support Julie G., Zenaida M., and Paul K.

At the inaugural meeting the subcommittee established that the previous subcommittee report had been released prior to discussion and approval by the full Trustees' Finance Committee which may have added to the varying interpretations and opinions being circulated in the Fellowship about the 7th Tradition and how A.A. 'fits' into the world as a nonprofit. Regarding A.A.W.S.'s nonprofit status (dating back to 1963) we as a subcommittee felt it was important to provide a factual report - absent of opinion or conjecture, providing details and examples of what is offered to A.A.W.S. as a nonprofit corporation chartered to support A.A.'s single 'mission' – that of carrying our message to the still-suffering alcoholic. The spiritual principle of Tradition 7 has been kept front of mind when accepting any benefit that is offered to all with nonprofit designation.

It is hoped that this report will provide the details necessary for the Fellowship to arrive at an informed group conscience that will serve as a guidepost for future discussions and nonprofit related engagements.

Thank you for the opportunity to serve.



The A.A. groups themselves ought to be fully supported by the voluntary contributions of their own members.

We think that each group should soon achieve this ideal; that any public solicitation of funds using the name of Alcoholics Anonymous is highly dangerous, whether by groups, clubs, hospitals, or other outside agencies; that acceptance of large gifts from any source, or of contributions carrying any obligation whatever, is unwise.

- from the Long Form of Tradition Seven

Problems of money, property, and authority may easily divert us from our primary spiritual aim. We think, therefore, that any considerable property of genuine use to A.A. should be separately incorporated and managed, thus dividing the material from the spiritual. An A.A. group, as such, should never go into business. Secondary aids to A.A., such as clubs or hospitals which require much property or administration, ought to be incorporated and so set apart that, if necessary, they can be freely discarded by the groups. Hence such facilities ought not to use the A.A. name. Their management should be the sole responsibility of those people who financially support them. For clubs, A.A. managers are usually preferred. But hospitals, as well as other places of recuperation, ought to be well outside A.A.- and medically supervised. While an A.A. group may cooperate with anyone, such cooperation ought never go so far as affiliation or endorsement, actual or implied. An A.A. group can bind itself to no one.

- from the Long Form of Tradition Six

History & Actions relating to Google Ad Grants

What are our obligations as an A.A. entity?

- a. Twelve Traditions ([Long Form](#) and [Essays](#))
- b. A.A. Service Manual/[Twelve Concepts for World Service](#)
- c. Appendix E Bylaws of the General Service Board. S114
- d. Appendix F Bylaws of A.A. World Services, Inc. S126
- e. Appendix G Bylaws of AA Grapevine, Inc. S135
- f. Adhering to the same rules and regulations of society - keeping in mind A.A. principles

What Does It Mean to be a Nonprofit?

Under United States (US) and New York State (NYS) law, an organization that intends to serve a public good organizes itself as a nonprofit corporation. The term nonprofit simply means that, in gratitude for serving a public good, the government exempts the corporation from paying any corporate income tax. Some states show additional gratitude to nonprofits. For example, in NYS, nonprofits are exempt from paying sales tax. However, nonprofits are usually required to pay other types of taxes such as employment taxes and excise taxes.

In return for being exempt from certain taxes, a nonprofit agrees to the mandated activities and restrictions on other activities described in the next two sections. To make sure that all their activities are consistent with their mission, many nonprofits choose to include in their bylaws additional mandates and restrictions on operations beyond those required law.

Requirements for Maintaining Nonprofit 501c3 status

US law authorizes several different types of nonprofits. A.A.W.S., G.S.B, and Grapevine are all the type of nonprofit known as a 501c3, named after the section of the law that authorizes this type. Although our tradition is that the word charity is not appropriate to our work, the US Internal Revenue Service (IRS) refers to 501c3 nonprofits as “public charities”.

501c3 nonprofits are subject to the following US government requirements. However, other types of nonprofits may not be subject to some of these requirements.

1. Prohibition of Private Benefit – 501c3 nonprofits are required to serve a public interest, not a private one. Therefore, any surplus a nonprofit accumulates may not be used to benefit insiders such as officers, directors, or key employees. Similarly, a nonprofit may not enter into a contract which provides an unreasonable benefit to an insider.
2. Prohibition on political campaign intervention – 501c3 nonprofits are prohibited from participating in any political campaign for public office. Therefore, contributions to political campaigns and public statements in favor or in opposition to any candidate are prohibited.
3. Prohibition on lobbying (influencing legislation) – 501c3 nonprofits are not permitted to attempt to influence legislation at the national, state, or local level. Both contacting legislators directly and urging members or the public to contact legislators in support or opposition to legislation are prohibited.
4. File an annual information return, known as Form 990, with the IRS – Form 990 includes information on the governance, finances, and activities of the nonprofit and is, by law, a public document. [A.A.W.S.](#), [G.S.B.](#) and [Grapevine](#) Form 990s are available upon request from the G.S.O. and from the [New York State Charities Bureau](#).
5. Maintain books and records showing that the nonprofit complies with tax rules – Nonprofits must be able to document the sources of receipts and expenditures reported on Form 990.

6. Acknowledgement of contributions - 501c3 nonprofits are required to provide a timely written acknowledgement of any single contribution of \$250 or more. However, G.S.O. policy is to gratefully acknowledge all contributions, regardless of amount.

New York State requirements

Because A.A.W.S., G.S.B., and Grapevine are all incorporated in the state of New York, we are also subject to the following New York State (NYS) nonprofit requirements.

1. Audit – A nonprofit with annual revenue greater than \$1 million must have an annual audit performed by an independent Certified Public Accountant (CPA). Such a nonprofit must have an audit committee made up of independent trustees (those who are not employees of the nonprofit and have no financial relationship with the nonprofit). A.A.W.S., G.S.B., and Grapevine are all subject to this requirement. By law, the audit committee selects and reviews the independent auditor and oversees the audit.
2. Conflict of Interest Policy – Nonprofits must adopt and follow a written conflict-of-interest policy which establishes procedures to be followed if an insider's personal or financial interests may be affected by an action of the nonprofit. An individual with a conflict of interest may not participate in any decision related to that conflict. The policy should also provide procedures for the board or a committee to discover whether conflicts of interest exist and, therefore, requires disclosure both prior to initial employment or election to the board and annually thereafter.
3. Whistleblower Policy – Nonprofits with 20 or more employees and annual revenue over \$1 million must adopt and follow a written whistleblower policy that has procedures for reporting suspected legal or ethical violations, preserving confidentiality, and protecting whistleblowers from retaliation. A.A.W.S., and G.S.B. are subject to this requirement.
4. File an annual information return, known as CHAR 500, with the NYS Charities Bureau – This includes all information in the IRS Form 990 plus audited financial statements.

What is a grant?

The IRS defines a grant as an award, prize, contribution, noncash assistance, cash allocation, stipend, scholarship, fellowship, research grant, or similar payment made by an organization. According to the Association of Fundraising Professionals, a grant is a financial donation given to support a person, organization, project, or program. Essentially, a grant is a gift of money or services awarded to an entity so that the entity can achieve a specific goal or purpose.

What is a sales discount?

A sales discount refers to reduction by the seller in the price of a product or service and is part of the marketing plan of the seller. The purpose of a sales discount is to increase the seller's revenue rather than achieve a specific goal or purpose of the buyer.

Bibliography:

[IRS Publication 4221-PC Compliance Guide for 501\(c\)\(3\) Public Charities](#)

[NYS Attorney General Charities Bureau publication "Internal Controls and Financial Accountability for Not-for-Profit Boards"](#)

[New York Council of Nonprofits publication "Key Features of the New York Nonprofit Revitalization Act"](#)

In-kind service versus In-kind donation (reporting distinctions)

- Sibi Thomas Report

-What is the Google Grant?

Google offers *all* non-profits (qualified organizations) the opportunity to receive up to \$10,000 a month in "in-kind" media value. *A.A.W.S. has accepted no money from Google.*

Noting that this is not a cash/money grant, some have compared it to the television and radio airtime utilized for our **PSA distribution**. Some do not find it comparable.

It is not guaranteed or mandated that any organization use all \$10,000 a month of media value, but that is the total amount that can be used before incurring additional cost. The grant is "up to \$10,000 per month" of ad space whether the full amount is used or not.

There are multiple ways to manage the grant which include setting daily, weekly or monthly caps on spending to ensure an organization does not exceed the total. If that number is hit, the ads would be immediately paused until the next month began. The amount resets for each month, there is no roll over.

The amount of the Grant used is based on Click Through Rate (CTR) and Cost Per Click (CPC) related to each ad and its assigned keywords.

How is Google Ads and the Grant being used?

G.S.O. Communications Dept. developed an implementation plan to guide the project and to keep within the scope of the Advisory Actions:

To give A.A. an additional outlet to provide accurate information to the still suffering alcoholic and the public about Alcoholics Anonymous and how to contact us.

Two ad groups were developed, as required by the Grants program. We kept the focus of each group specifically to Public Information messaging.

- Ad Group 1: Those that have, or know someone who may have, a drinking problem.
- Ad Group 2: Those looking for meeting information

For both groups, we link back to aa.org to provide specific information on resources for alcoholics or finding a meeting.

What- if any - are the financial obligations in receiving and signing contracts with Google?

2017 Final Google for Nonprofits Report

1. Google-for-Non-Profits – “Join the Program” page
2. Google-for-Non-Profits – Eligibility Guidelines
3. Google-for-Non-Profits – Program Application
4. Google-for-Non-Profits – Terms of Service
5. Google-for-Non-Profits – Privacy Policy

Example of Google for Non-Profits Contract

(A.A.W.S. agreed to the Terms of Service (#4))

What are we providing Google? (Tradition Six)

1. A.A.W.S. is not asking Google to doing anything different that they wouldn't do with other non-profits. Google is not asking A.A.W.S. to do something that it would not do for other similar type contracts.
2. An application agreement was signed to join Google for non-profit which allows G.S.O. to implement the A.A.W.S. YouTube page.

Basic Google Ads terms definitions:

Ad Group - Used to structure your ads, keywords (for search campaigns) and targeting (for display campaigns) inside a campaign. Each campaign can contain one or more ad groups. For a search campaign it's best practice to create small groupings of related keywords inside each ad group, this allows you to write compelling ads which are displayed with those keywords.

Ad Rank - Google's method for determining each ad's position on a search engine results page. The advertiser with the highest ad rank will be placed in the top position followed by the ad with the second highest ad rank and so forth. Ad Rank is calculated based on the bid received, Quality Score and ad extensions, for each ad eligible to appear.

CPC - Cost-per-click or CPC is the amount you are willing to spend (or are charged) for each click. If you set a manual CPC bid, then you'll never pay more than this amount (unless you are using bid adjustments) since Google Ads uses an auction to display ads and you are only charged the amount necessary for the click.

CPM - Cost-per-thousand-impressions or CPM is a bidding option where an advertiser pays for 1,000 impressions of their ad regardless of the number of clicks. CPM bidding is designed for advertisers wanting to increase brand awareness rather than drive conversions. Google Ads uses viewable CPM bidding.

CTR - Click-through-rate or CTR is the percentage of impressions that result in a click on your ad. For example, an ad with 100 clicks and 1,000 impressions would have a click-through-rate of 10%.

Impression - An impression is counted when an ad is displayed (with or without a click). For display campaigns, you have the option of bidding on a viewable impression. See also click-through-rate and viewable CPM.

Keyword - The main targeting method for search campaigns, a keyword is an instruction (determined by the keyword text and match type) to Google about when to show ads from the keyword's ad group.

Quality Score - Google's measurement of how relevant an advertiser's ads are to what someone is interested in. Quality Score is based on a range of factors, including click-through-rate, relevance and landing page experience. The Quality Score displayed inside your account is different to the calculation used when your ads enter the real-time auction in order to be shown to people searching and browsing.

Search Query - The actual text that someone entered when they performed a search. Remember that the search query someone uses might not be the same as the keyword you are bidding on because of the keyword match types.

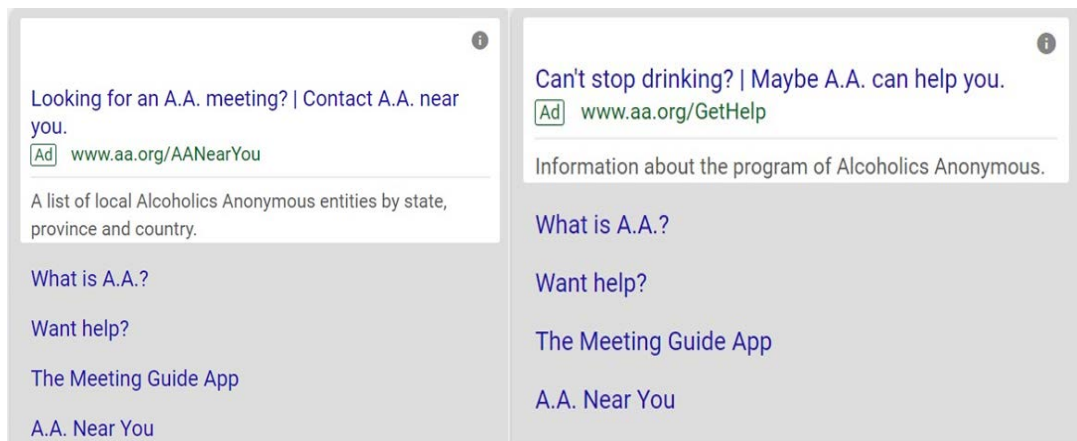
For additional definitions, please visit: <https://www.lovesdata.com/blog/google-ads-glossary>

To participate in the Google Ads Grant:

- In the U.S. you must have a current 501(c)(3) status)
- Have a website that is both functioning and provides adequate detail on the nonprofit.
- Link to the nonprofit URL that was approved in application process.
- The ads that the non-profit is distributing, must reflect the mission of the nonprofit.

Note: For the full Ad Grants Policy Compliance Guide, please visit:

<https://support.google.com/grants/answer/9042207>



Note from G.S.O. Communications Department:

The G.S.O. Communication Services Department has been researching why A.A.W.S. ads were no longer showing in Google's search results. After a routine audit by Google's algorithm, there was a temporary de-certification of a number of participants on the platform in the categories of healthcare, treatment and addiction. Since October 19, multiple emails and phone calls were exchanged with the Google departments that administrate Google Ads, Google Grants, certification verification and flagged trademarks. A.A.W.S. was able to reconfirm its certification.

Other technical issues arose, including being flagged for use of our own trademarks. Being unable to resolve these technical and trademark issues through standard review, it was determined that our campaign had a glitch. We disabled the original campaign within our account and recreated it with a new name—this resolved the glitch. We did not need to alter the content or keywords for any of our ads.

A.A.W.S.'s new campaign started on Dec 9. There is a 5-day learning period ending Dec 16, while the algorithm "learns" how to present our ads."

Google Ads Performance

Did compliance /service agreements pertaining to Google appear different than other contracts/agreements?

- This was in keeping with technical and nonprofit standards.

(Dated August 21, 1963 - U.S. Treasury Department, Internal Revenue Service)



U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE
WASHINGTON 25, D. C.

IN REPLY REFER TO
T:R:EO: 2

AUG 21 1963

TBC

Alcoholics Anonymous World Services,
Inc.
305 East 45th Street
New York 17, New York

Gentlemen:

PURPOSE	
Charitable	
ADDRESS INQUIRIES & FILE RETURNS WITH DISTRICT DIRECTOR OF INTERNAL REVENUE	
Manhattan, New York	
FOR FORM 990-A R ☒ YES ☐ NO	ACCOUNTING PERIOD ENDING December 31

Based upon the evidence submitted, it is held that you are exempt from Federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code, as it is shown that you are organized and operated exclusively for the purpose shown above. Any questions concerning excise, employment or other Federal taxes should be submitted to your District Director.

You are not required to file Federal income tax returns so long as you retain an exempt status, unless you are subject to the tax on unrelated business income imposed by section 511 of the Code and are required to file Form 990-T for the purpose of reporting unrelated business taxable income. Any changes in your organization's character, purposes or method of operation should be reported immediately to your District Director for consideration of their effect upon your exempt status. You should also report any change in your name or address. Your liability for filing the annual information return, Form 990-A, is set forth above. That return, if required, must be filed after the close of your annual accounting period indicated above.

Contributions made to you are deductible by donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for your use are deductible for Federal estate and gift tax purposes under the provisions of sections 2055, 2106 and 2522 of the Code.

You are not liable for the taxes imposed under the Federal Insurance Contributions Act (social security taxes) unless you file a waiver of exemption certificate as provided in such act. You are not liable for the tax imposed under the Federal Unemployment Tax Act. Inquiries about the waiver of exemption certificate for social security taxes should be addressed to your District Director.

Your District Director is being advised of this action.

Very truly yours,

J. F. [Signature]
Chief, Exempt Organizations Branch



Examples of types of Non-Profit contracts/ certifications/entitlements A.A.W.S. participates:

- LegitScript certification. A.A.W.S has agreed to Terms and Conditions to be certified.
 - o <https://www.legitscript.com/service/certification/addiction-treatment/>
- G.S.O. provides copy of A.A.W.S. 501c3 letter to qualify for discounted pricing from multiple vendors who offer discounted pricing to any nonprofit.
- Here is a brief list of just some of the companies in which A.A.W.S. receives services through non-profit discounts:
 - o Microsoft
 - o CDW
 - o Cisco
 - o Dell
 - o GitHub
 - o Verizon
 - o Solarwinds
 - o NewEgg
 - o Equinix
 - o Adobe

Some of these vendors include technical services, website design and development, and Meeting Guide app maintenance and development.

- A.A.W.S. qualifies for nonprofit discounted rental space in the Interchurch Building at 475 Riverside Drive.

Note: G.S.O. adheres to the rules, guidelines, and contracts of the building it resides and asks no special favors because we are A.A. The discounted rate is provided to G.S.O./GV because we are:

 - o A nonprofit
 - o Spiritually based

- G.S.O.'s Cooperation with the Professional Community assignment provides copy of A.A.W.S. 501c3 to qualify for non-profit pricing for national exhibit booths at national professional conferences.
- A.A.W.S., Inc. employees who have attended "trade" professional gatherings (such as publishing's Book Expo, the International Trademark Association and other copyright conferences, Audiobook Association and other one-off related audio conferences, and Digital Book World (which covers audiobook and e-book trends and topics), since we are a nonprofit, G.S.O. employees are charged the "nonprofit" attendance fees for registration and badges, rather than the higher for-profit business rates that employees of for-profits are charged.
- Nonprofit shipping rates.
- Press Release Distribution (including the Annual Anonymity Letter to media) – A copy of A.A.W.S.'s 501c3 is presented to distributor to obtain nonprofit discounts.
- A.A.W.S. as a nonprofit, is tax exempt.
- Regional Forums/International Conventions is guided by the 2004 Advisory Action on discounts and subsidies.

A policy concerning discounts and subsidies which was approved by the General Service Board in 1989 (and amended in 2003) and supported by the 1999 and 2004 General Service Conferences reads as follows:

2004 International Conventions Advisory Action:

"The General Service Conference support the General Service Board Policy as amended on November 2, 2003, which reads:

"Whenever a discount or subsidy is that which would be offered to any other organization of similar size requiring a purchased service or product of similar character and magnitude, for example, convention rates at hotels, it may be accepted. Whenever a discount or subsidy is partly or in total offered because we are Alcoholics Anonymous, it must be declined."

Note: The original board policy text contained the letters "i.e." which were replaced with the words "for example." The General Service Board amended the policy because "for example" more accurately reflected the intention of the 1989 trustees' Committee on International Conventions/Regional Forums. The 1999 General Service Conference supported the Board's 1989 policy through an Advisory Action.

The committee noted the Additional Consideration of the 1999 Conference Committee on Finance which reads:

“The committee unanimously recognizes that the acceptance of discounts or subsidies in the form of cash causes discomfort to some members of our Fellowship. The committee suggests that any future negotiations regarding International Convention discounts or subsidies be carried out with this in mind.”

Linked Referenced Documents:

- [History & Actions relating to Google Ad/Grant](#)
- [In-kind service vs. In-kind donation – Sibi Thomas Report](#)
- [PSA Distribution – Connect 360 Multimedia](#)
- [2017 Final Google for Non-Profits Report](#)
- [Google for Non-Profits Contract Example](#)
- [Google Ads Performance](#)

History & Actions on Topics Relating to Google

2016 Conference Advisory Action:

A proposal for implementing a Google-for-Non-Profits account for carrying the message of A.A. to the public be developed and brought back to the 2017 Conference Committee on Public Information for review.

2017 Public Information Conference Advisory Action:

A.A. World Services, Inc. create a Google for Nonprofits account, with use of the account limited to the YouTube Nonprofit Program and with a guarantee that comments not be shown on A.A.W.S. YouTube pages. The committee requested that a report including information from website analytics and the usefulness and effectiveness of the A.A.W.S. YouTube account be brought back to the 2018 Conference Committee on Public Information.

Committee Consideration of the 2017 Conference Committee on Public Information:

After reviewing the trustees' Committee on Public Information's report on a Google Implementation Plan the committee suggested that the trustees' Committee on Public Information continue to research the feasibility of A.A.W.S. using Google AdWords and Google Grants and bring a report to the 2018 Conference Committee on Public Information.

Committee Consideration of the 2018 Conference Committee on Public Information:

The committee reviewed the 2017 trustees' Public Information Committee Report on the use of Google AdWords and Google Grants to carry the A.A. message and requested that the trustees' Committee on Public Information continue to develop information on the use of Google AdWords and Google Grants including information on the cost of a full year's implementation and that a progress report be brought back to the 2019 Conference Committee on Public Information. implementing a six-month trial and the cost of a full year's implementation and that a progress report be brought back to the 2019 Conference Committee on Public Information.

January 26, 2019 report of the trustees' Committee on Public Information:

In response to the Additional Committee Consideration of the 2018 Conference Committee on Public Information to "provide a progress report on the use of Google AdWords and Google Grants including information on the cost of implementing a six-month trial and the cost of a full year's implementation" the committee reviewed and

agreed to forward to the 2019 Conference Public Information Committee a report which includes information requested by the 2018 Conference Public Information Committee.

Note: From the trustees' Committee on Public Information Appointed Committee Members (ACMs)...

Estimated costs are presented in Item G.1. The P.I. trustees' committee was asked by the Conference Committee on Public Information to give 6 months and 1-year trial. However, this report presents a range of pricing that illustrates the minimum that Google is suggesting we do monthly; based on the keywords and geographic territories. You can simply total it however, it is suggested that the committee review the monthly budget given and then establish a cap of spending. This is because you can budget for \$18,000 per month = \$108,000 for 6 months however, it will not 'spend' this way. It will go up and down over the months starting lower and building. We also suggest an additional 1k to 2K over time, added to each month.

2019 Conference Advisory Actions:

- A.A. World Services, Inc. and AA Grapevine, Inc. apply for "LegitScript" certification to qualify for Google Ad Words/Grants.
- A.A. World Services, Inc. apply for Google AdWords/Grants, for the purpose of providing information about A.A. to the public.
- A.A. World Services, Inc. implement Google AdWords/Grants for the purpose of providing information about A.A. to the public and that a report be brought back to the 2020 Conference Committee on Public Information

From the November 2, 2019 trustees' Committee on Public Information report:

In keeping with the 2019 Advisory Action the committee noted the Communication Services report that the LegitScript application process is in its final stage.

The committee also discussed additional sharing provided by the Public Information staff secretary regarding Google AdWords/Grants. The committee noted that there is no current action by G.S.O. to apply for Google AdWords/Grants until further research is conducted. The committee agreed that additional discussion and research is needed as it relates to Google AdWords/Grants. The committee asked that additional findings be included in the report that is to be provided to the 2020 Conference Committee on Public Information and looks forward to a review of the draft report at the February 2020 meeting.

Staff Note: The trustees' Public Information committee and A.A.W.S. T.C.S. Committee met by Conference call January 9, 2020 to discuss next actions.

After further discussion G.S.O., has been directed to carry out the 2019 P.I. Advisory Actions to apply and implement Google AdWords/Grants in-kind donated services of ad space (worth \$10,000 of donated *media value* which is available to all non-profits.)

From the February 1, 2020 trustees' Committee on Public Information report:

The committee discussed the 2019 Advisory Action that A.A.W.S. Inc. apply for Google AdWords/Grants for the purpose of providing information about A.A. to the public. The committee also discussed the 2019 Advisory Action that A.A.W.S., Inc. implement Google AdWords/Grants for the purpose of providing information about A.A. to the public and that a report be brought back to the 2020 Conference Committee on Public Information. Following their discussion, the committee agreed to forward to the 2020 Conference Committee on Public Information a report on Google AdWords/Google Grants.

From the February 2, 2020 trustees' Finance and Budgetary Committee report:

The Public Information Committee has asked the T.F.C. to look at background regarding an Advisory Action to apply for Google Grants and how it would be reported on our financial statements. There is a question on how in-kind contributions need to be reported on the balance sheet. We have historically accepted in-kind donations for TV PSAs but will continue looking into the best ways to report this information to the Fellowship.

A subcommittee of Tom A., Leslie B., Mark E., Carolyn W. and Sibi Thomas, our auditor, was appointed by the Chair to discuss further in-kind contributions and how they are reported. The chair has suggested our auditors provide information on how we must report the in-kind service to give further information to the Conference.

Committee Consideration of the 2020 Conference Committee on Public Information:

The committee reviewed and accepted the 2019 trustees' Public Information report on the current status of Google AdWords/Grants and requested that a progress report be brought back to the 2021 Conference Committee on Public Information.

Committee Consideration of the 2020 Conference Committee on Finance:

The committee reviewed a report from the trustees' Finance Ad Hoc Committee on Google Grants and the Seventh Tradition. The committee strongly suggests forwarding this report to the trustees' Finance and Budgetary Committee and the appropriate 71st General Service

Conference committee.

2020 General Service Conference Floor Action forwarded by the trustees' Conference Committee to the trustees' Public Information Committee:

The committee considered and *agreed to forward* to the trustees' Public Information Committee the 70th General Service Conference floor action that "the launch of Google AdWords Grants by the General Service Office be halted until the 71st General Service Conference convenes and approves that launch and the "Ad Hoc Committee Progress Report - Google Grants and the 7th Tradition," from the trustees' Finance Committee, dated March 30, 2020, be immediately released to all members of the 70th General Service Conference." The committee recognizes that the trustees' Public Information Committee must formally receive the trustees' Finance Committees' report once the work is complete, prior to the progress report being considered for broad distribution.

From the August 1, 2020 trustees' Committee on Public Information report:

The committee reviewed the 70th General Service Conference floor action that "the launch of Google AdWords/Grants by the General Service Office be halted until the 71st General Service Conference convenes and approves that launch and the 'Ad Hoc Committee Progress Report -- Google Grants and the 7th Tradition,' from the trustees' Finance Committee, dated March 30, 2020, be immediately released to all members of the 70th General Service Conference."

The committee tabled this discussion to their next meeting pending receipt of a possible final report from the trustees' Finance and Budgetary Committee.

The committee requested that in keeping with the 2019 Advisory Actions stating "A.A. World Services, Inc. apply for Google AdWords/Grants, for the purpose of providing information about A.A. to the public" and "A.A. World Services, Inc. implement Google AdWords/Grants for the purpose of providing information about A.A. to the public..." a progress report be brought back to the October meeting on the continued Google AdWords/Grants implementation.

From the August 2, 2020 trustees' Finance and Budgetary Committee report:

Ad Hoc Committee Progress Report – Google Grants and the 7th Tradition: The chair reported that she prematurely released the report to the Conference Committee on Finance and apologized for not submitting the report to this committee first. She gave a brief description of what is in the report. The main point pertaining to this committee is the discussion on how to report in-kind contributions on the organization's tax return. On the recommendation of our independent auditor, in-kind donations will be reported as a footnote on our 990. Another subcommittee has been formed to further discuss the findings of this report. Jimmy

D. will chair of this subcommittee to include Leslie B., Cindy F., Josh E., ~~Beau B.~~ as well as staff resources of Bob W. and Zenaida M.

Staff note - Carolyn W. will replace Beau B. and Racy J. will serve as staff secretary to this TFC subcommittee.

From the October 31, 2020 trustees' Committee on Public Information report:

The committee discussed Public Information Media Platforms, including reports provided to the committee on the following: the A.A.W.S. YouTube channel, Google AdWords/Grants, the A.A.W.S. Meeting Guide app, and the G.S.O. and AA Grapevine/La Viña Websites. The committee suggested continuing and expanding cooperation related to the G.S.O. and AA Grapevine/La Viña websites and other digital assets. Regarding Google AdWords the committee discussed the need for the T.P.I.C. to establish, once there is more robust data, a baseline for benchmarking results. The committee expressed appreciation for the ongoing work and looks forward to reports to be provided to the January 2021 meeting.

November 1, 2020 trustees' Finance and Budgetary Committee report:

Ad Hoc Committee Progress Report – Google Grants and the Seventh Tradition: Jimmy D., chair, shared that the committee met twice in October. They quickly started brainstorming on what the committee wanted to accomplish. What are our financial obligations if any in receiving and signing contracts with Google? What are we providing Google? What is the difference of receiving in-kind services versus in-kind donations? They want to review policies and procedures that fall under this topic as well as reference any Conference advisory actions that speak to discounts and so forth, with the goal of reporting out the purpose of Google Grants for nonprofits and understanding how we report them on our financial statements.

From the January 30, 2021 trustees' Committee on Public Information report:

The committee agreed to forward to the 2021 Conference Committee on Public Information a report, Google Ads Performance: December 16, 2020 to January 14, 2021.

The committee noted with appreciation the sharing and inquiries provided by members regarding Google Ads/Grants Advisory Actions and noted that the concerns mentioned in the sharing have been addressed and clarified in prior reports. The committee also noted that the report, Google Ads Performance: December 16, 2020 to January 14, 2021, being forwarded, will also provide additional informational sharing on this topic.

From the January 31, 2021 trustees' Committee on Finance and Budgetary Committee report:

Ad Hoc Committee Progress Report – Google Grants and the Seventh Tradition: Jimmy D., chair, shared that the committee has created a report that was included in the background. Extensive amounts of research and work went into creating this report and the main objective was to give facts

as to what it is to be a non-profit to receive this benefit. One of the main topics was discussing other non-profit benefits that are received by us and other similar non-profit organizations, such as audit rates and bank fees.

The chair stated that this report will be forwarded to the Conference Committee on Finance. The committee agreed to forward the Ad Hoc Committee Progress Report – Google Grants and the Seventh Tradition to the Conference Committee on Finance.

Note: *The original name, Google AdWords/Grants is now named Google Ad/Grants*

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- 5.150** As discussed in FASB ASC 958-605-25-20, NFPs may also receive items, such as tickets, gift certificates, works of art, and merchandise, that are to be used for fund-raising purposes by transferring them to other resource providers (the ultimate resource provider or recipient) during fund-raising events. Those gifts in kind can be linked to asset transfers from the original resource providers to the ultimate resource providers (recipients) because they are, in substance, part of the same transaction; those gifts in kind should be reported as contributions and measured at fair value when originally received by an NFP. The difference between the amount received for those items from the ultimate resource providers (recipients) and the fair value of the gifts in kind when originally contributed to the NFP should be recognized as adjustments to the original contributions when the items are transferred to the ultimate resource providers (recipients).
- 5.151** For example, a public radio station receives a ticket with a fair value of \$75 from the local community theater (the original resource provider), which is to be auctioned to the highest bidder; a listener (the ultimate resource provider or recipient) subsequently acquires the ticket at auction for \$100. The initial transfer of the ticket to the NFP should be reported as a \$75 contribution and the ticket should be reported as an asset; an additional \$25 contribution should be reported when the ticket is transferred to the listener at auction, and no cost for the ticket should be reported on the statement of activities. In that example, the ultimate resource provider or recipient acquires the ticket in a transaction that is in part an exchange transaction and in part a contribution. **fn 20** If instead a listener acquires the ticket for \$45, rather than \$100, a reduction of \$30 in contributions should be reported when the ticket is transferred to the listener at auction, because the transfer at auction is part of the transaction that was initiated when the NFP received the ticket. Holding the ticket from the time of initial receipt to the time of ultimate transfer at auction does not create a transaction separate from the initial contribution.

Contributed Fund-raising Material, Informational Material, or Advertising, Including Media Time or Space

- 5.152** In some cases, entities other than an NFP use for an NFP's benefit (or provide at no charge to an NFP) certain nonfinancial assets that encourage the public to contribute to the NFP or help the NFP communicate its message or mission. Examples of these include fund-raising material, informational material, or advertising, including media time or space for public service announcements or other purposes. As noted in FASB ASC 958-605-55-23, the use of property, utilities, or advertising time are considered to be forms of contributed assets rather than contributed services. Therefore, the criteria for recognition of contributed services in FASB ASC 958-605-25-16, as discussed in paragraph 5.112, are not applicable.
- 5.153** Q&A section 6140.24, "Contributions of Certain Nonfinancial Assets, Such as Fundraising Material, Informational Material, or Advertising, Including Media Time or Space for Public Service Announcements or Other Purposes" (AICPA, *Technical Questions and Answers*), states that when such nonfinancial assets are used for the NFP's

benefit (or provided to the NFP at no charge) and they encourage the public to contribute to an NFP or help the NFP communicate its message or mission, NFPs should consider whether they have received a contribution. If they have received a contribution, the nonfinancial asset received should be measured at fair value, pursuant to FASB ASC 958-605-30-2; and the related expense, at the time the expense is recognized, should be reported by function, based on the nature of the contributed item.

5.154 Examples of such activities include the following:

- An advertising agency, television station, or newspaper provides design services or professional talent services.
- A radio or television station gives an NFP (or uses for the NFP's benefit) commercial air time at no charge.
- A radio or television station airs a public service announcement provided to it by the NFP. (Some stations air the announcement and report information about the airings to the NFP.)
- A magazine, newspaper, or other print media gives an NFP (or uses for the NFP's benefit) advertising space at no charge.
- An Internet site gives an NFP (or uses for the NFP's benefit) advertising space at no charge.

5.155 FinREC believes that in the case of fund-raising material, informational material, advertising, and media time or space, the NFP has received an asset (future economic benefit) and can control others' access to the benefit, and therefore has received a contribution, if the NFP has an active involvement in determining and managing the message and the use of the materials. The future economic benefit received may be either (a) cash inflows, such as contributions arising from fund-raising activities or revenues arising from exchange transactions, or (b) service potential in conducting program or management and general activities.

5.156 FinREC believes that the NFP's involvement in determining and managing the content need not be absolute in order to conclude that a transfer of assets has occurred and therefore a contribution has been received. For example, the NFP may receive assistance from a television station, publication, or website in the production of a public service announcement. FinREC believes that receiving such assistance would not lead to the conclusion that the NFP does not determine the content. As another example, if a radio or television station gives an NFP commercial air time at no charge, the NFP need not determine the timeslot in which the message will air in order to conclude that a transfer of assets occurred and therefore a contribution has been received.

5.157 Determining whether a transfer occurred based on the extent of the NFP's involvement may be a subjective determination. FinREC believes that in making such a determination, NFPs should consider all relevant facts and circumstances. The greater the NFP's involvement in determining and managing the message and the use of the materials, the greater the evidence that the NFP has received a contribution.

5.158 The following facts and circumstances are indicators that the NFP has received a contribution:

- The NFP approves the advertisement before it is placed in the newspaper (or other media).
- The NFP provides or actively grants its permission to include its logo (or other materials or information) in an advertisement before the advertisement is placed in the newspaper (or other media). For purposes of applying this indicator, the NFP's silence or failure to defend the use of its logo (or other materials or information) is not considered implicit approval of such usage.
- The NFP provides input to the person or entity producing and placing the advertisement (or materials produced and disseminated), and has significant influence, but not absolute approval power, in determining the content of the advertisement (or materials produced and disseminated). For example, an NFP that reviews an advertisement demonstrates significant influence but not absolute approval power.
- The NFP provides artwork or other materials to the person or entity producing and placing the advertisement (or materials produced and disseminated).
- Representatives of the NFP appear in an audio or video advertisement (or materials produced and disseminated).

5.159 The following facts and circumstances are evidence that the NFP has not received a contribution:

- Another entity designs a newspaper advertisement encouraging the public to contribute to an NFP and places that advertisement in the newspaper without seeking or receiving input from the NFP.
- The NFP is aware that the advertisement will be placed (or materials produced and disseminated), but is unable to provide significant input or objection.
- The NFP provides minimal input to the person or entity producing and placing the advertisement (or materials produced and disseminated), and does not have significant influence in determining the content of the advertisement (or materials produced and disseminated).

- 5.160** In circumstances in which fund-raising material, informational material, advertising, and media time or space are used for the NFP's benefit (or provided to the NFP at no charge) and encourage the public to contribute to an NFP, NFPs should consider whether the fund-raising activity is combined with program, management and general, membership development or other activities (that is, the activity is a joint activity). For example, an NFP receives as a contribution the production of a public service announcement, as well as media time to show that public service announcement. Further, assume the public service announcement is a joint activity because the message is part fund-raising and part program. FinREC believes that in such circumstances, expenses associated with reporting that activity should be reported pursuant to the "Accounting for Costs of Activities that Include Fundraising" subsections of FASB ASC 958-720. Those subsections are discussed in paragraphs 13.79–.118.
- 5.161** FinREC believes that whether fund-raising materials, informational materials, or advertising, including media time or space for public service announcements or other purposes, are recognized as contributions received is unaffected by (a) whether the NFP could afford to purchase them or (b) whether they would typically need to be purchased by the NFP if they had not been provided by contribution. In reaching that conclusion, FinREC analogized to FASB ASC 958-605-55-23, which states that whether contributions of utilities and use of long-lived assets should be reported is unaffected by whether the NFP could afford to purchase the utilities or facilities at their fair value.
- 5.162** However, those criteria do apply to graphic design services, professional talent services, and similar contributed services associated with the contribution of the nonfinancial assets. FinREC believes that those services create or enhance a nonfinancial asset and they should be recognized as a contribution in accordance with FASB ASC 958-605-25-16, as discussed in paragraph 5.112. For example, assume an NFP receives a solicitation from an advertising agency to create a multimedia advertising campaign promoting the NFP's new program and soliciting contributions to help fund the program. The NFP is involved in the design and content of the advertising campaign at the outset and has approval rights before the advertisements are produced in final form. All services associated with the production of the advertising and the professional talent used to produce the television and radio advertisements are donated. The advertisements are placed on television, radio, and in print. In this example, the NFP would recognize a contribution for the contributed services because the NFP has the ability to approve design and content and the contributed services enhance a nonfinancial asset (the multimedia advertising campaign).
- 5.163** In determining fair value of contributions of fund-raising materials, informational materials, advertising, and media time or space, FinREC believes the following facts and circumstances may be relevant:
- The donor's own historical experience of receiving payment in the form of cash, marketable securities, or other consideration that is readily convertible to a known amount of cash for similar advertising from buyers unrelated to the NFP.

- Placement of the ad, such as the time of day or position within a website or publication.
- Number of viewers or readers.
- Demographics of the viewers or readers, such as income, age, gender, and other relevant factors, and whether those demographics correlate with the targeted audience for the NFP's message.
- Standard discounts given for similarly placed commercial messages or programs, such as discounts on unsold commercial time or space.
- Type of space, such as color or black and white. For Internet ads, consider whether the advertisement is a banner ad, the length of time displayed, the type of display (for example, flashing versus still), and the number of clicks required to get to the ad.
- Whether the NFP shares the message, advertising, or materials with others or is the only entity receiving the benefit of the message, advertising, or materials.

Contributed Utilities and Use of Long-Lived Assets

Update 5-1 Accounting and Reporting: Leases

FASB Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, issued February 2016, changes the accounting for leases, primarily by the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under current generally accepted accounting principles (GAAP). FASB ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, for NFPs that have issued, or are conduit bond obligors for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market. For all other NFPs, the amendments in this FASB ASU are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted.

This edition of the guide has not been updated to reflect changes as a result of this FASB ASU; however, the section that follows will be updated in a future edition. Readers are encouraged to consult the full text of the FASB ASU on FASB's website at www.fasb.org.

5.164 NFPs may receive unconditional contributions of the use of electric, telephone, and other utilities and of long-lived assets (such as a building or the use of facilities) in which the donor retains legal title to the long-lived asset. Pursuant to FASB ASC 958-605-55-23 and FASB ASC 958-605-25-2, an NFP should recognize the fair value of the use of property or utilities as contribution revenue in the period in which the contribution **fn 21** is received and expenses in the period the utilities or long-lived assets are used. **fn 22** If the transaction is an unconditional promise to give (as described in paragraphs 5.89–.111)

for a specified number of periods, the promise should be reported as contributions receivable and as restricted support that increases temporarily restricted net assets. **fn 23**

- 5.165** FASB ASC 958-605-55-24 discusses unconditional promises to give the use of long-lived assets (such as a building or other facilities) for a specified number of periods in which the donor retains legal title to the long-lived asset. Those promises may be received in connection with leases or may be similar to leases but have no lease payments. For example, an NFP may use facilities under lease agreements that call for lease payments at amounts below the fair rental value of the property. In circumstances in which an NFP receives an unconditional promise to give for a specified number of periods, the promise should be reported as revenue and as a contribution receivable for the difference between the fair rental value of the property and the stated amount of the lease payments. **fn 24** Amounts reported as contributions should not exceed the fair value of the long-lived asset at the time the NFP receives the unconditional promise to give. The contribution receivable may be described in the financial statements based on the item whose use is being contributed, such as a building, rather than as contributions receivable. The contribution of the use of the property could be subject to donor-imposed restrictions or conditions.
- 5.166** FinREC believes that in implementing the guidance in the previous paragraph, NFPs should consider whether a promise to give the use of property or equipment is similar to a capital lease, even though the lease payments are contributed and there is no lease obligation. FinREC also believes that when considering the limitation on the amount recognized as contribution revenue, the comparison is between the amount recognized *at the date the unconditional promise to give is received* and the fair value of the underlying long-lived asset at that same date. That is, the limitation on the amount recognized does not include additional contributions that the NFP may receive in the form of (a) promises to pay executory costs (that is, maintenance, insurance, and taxes), make renovations, or address environmental remediation obligations on the NFP's behalf, or (b) forgiveness of payments that would have been due under the gift agreement, such as to reimburse the donor (lessor) for expenses or to pay the donor (lessor) an amount computed based on the NFP's (lessee's) sales at the leased property or another metric. For example, a donor may promise the free use of equipment for 5 years, which is more than 75 percent of the equipment's useful life. The donor also agrees to pay the costs of the installation of the equipment and the costs of shipping the equipment to the NFP. If the equipment has a fair value of \$10,000, and installation and shipping costs are \$2,000, the limitation on the amount recognized for the equipment is \$10,000, but the NFP would also recognize a contribution of \$2,000 for the installation and shipping. The \$2,000 would also be capitalized as part of the cost of the equipment.

Guarantees

- 5.167** As discussed in paragraph 5.61, an NFP may receive a guarantee of its debt from an unaffiliated entity without providing commensurate consideration in return. FinREC believes that in circumstances in which an NFP receives a guarantee without providing commensurate consideration, the NFP has received a contribution that should be initially

Gifts-in-Kind

Gifts-in-kind are non-cash donations of tangible and intangible personal property contributed to an NFP [*AICPA Audit and Accounting Guide—Not-for-Profit Entities* (hereinafter, *Guide*), March 1, 2015, paras. 5.123, 5.152–5.163]. Contributions of advertising time and space by various forms of media, without charge, are considered intangible GiKs, and CPAs who provide services to NFPs, as well as financial managers of such organizations, should be knowledgeable about the rules and requirements pertaining to them, as well as the benefits.

The Financial Reporting Executive Committee of the AICPA (FinREC) believes, in the case of donated media time or space, that if the NFP is actively involved in determining and managing the message (e.g., development of the PSA, launch of the campaign) and can control others' access to the benefit (e.g., timing and broadcast mediums, ultimate broadcast of the PSA), it has received a contribution (*Guide*, chap. 5, para. 5.155). Under GAAP, the use of advertising time is considered to be a form of contributed assets rather than contributed services (*Guide*, paras. 5.152–5.163).

When a broadcaster airs a PSA, it becomes the donor of a sellable asset (i.e., airtime) to an NFP, which the NFP uses to air a PSA as a program-related activity, designed to promote the organization's program, mission, purpose, or cause. GAAP requires that when such a transaction occurs, the receipt of a contribution be recognized on the NFP's books at its fair value, based on the guidance in Accounting Standards Codification (ASC) Topic 820, "Fair Value Measurements and Disclosures," and that the related expense be reported by function at the time the expense is recognized, based on the nature of the contributed item (ASC 958-605-30-2, 820-10-35-5, 820-10-35-9, and 820-10-352B; *Guide*, paras. 5.130, 5.152–5.153, 5.155).

All NFPs have an overall mission and programs employed to support this mission. In practice, there is some confusion in understanding the difference between the mission and programs. As an example, the AICPA's mission is "powering the success of global business, CPAs, CGMAs [chartered global management accountants], and specialty credentials by providing the most relevant knowledge, resources, and advocacy, and protecting the evolving public interest" ("AICPA Mission and History," <http://bit.ly/1TSHgRa>). An example of a program the AICPA uses to further its mission is the Feed the Pig Campaign, which "is committed to helping young adults ages 25–34 adopt positive saving habits for long-term financial stability" (<http://bit.ly/2299OH4>). When PSAs are used to support a program, without the solicitation for donations/contributions, the resources received and used are considered to be for program-related purposes (*Guide*, paras. 5.152–5.153).

Using a Valuation Specialist for Broadcast PSAs

There are more than 1,400 full-power, noneducational U.S. television stations, 12,000 noneducational radio stations, more than 100 national broadcast and cable networks, numerous satellite TV and radio companies, hundreds of local cable companies, and various special media outlets (e.g., airports, gas stations, doctor's offices). Since a typical PSA campaign can be made up of hundreds to thousands of individual television and radio airings across the country, on every broadcast platform, in different formats, and at different times of day, gathering and processing this data would be an incredibly daunting task if the NFP decided to gather the data on its own. As a result, larger NFP and government organizations often rely on the services of specialized organizations to distribute, track, and value their PSA campaigns in accordance with GAAP.

To determine the fair value of an individual PSA broadcasting/airing, a valuation specialist will typically need to have the following information:

- The date and time the airing took place;
- The station's audience size at the time that the airing took place; and
- The price buyers paid to reach similar audiences at the same time of day ("day-part") and in the media market (also "designated market area," or "DMA") that the airing took place.

Since television and radio stations rarely provide NFPs with this information, the organizations must obtain it in other ways. Nielsen Media Research allows advertisers to insert electronic watermarks into their television ads to make them traceable and use digital signatures to track radio advertisements. It maintains listening centers across the country that scan the broadcast spectrum 24/7, looking for these encoded advertisements. When one is detected, Nielsen delivers detection reports that identify the date, time, and the station's audience size when the airing took place. The price buyers paid to reach similar audiences at the same time of day comes from the marketing research company SQAD. SQAD pools together actual purchase price information from the nation's largest media buying services on a monthly basis, summarizes it, and feeds it back to media buyers. SQAD also makes this data available to a select group of qualified companies and valuation specialists. By matching this information with Nielsen's airing information and audience rankings, valuation specialists can determine the fair value of each local broadcast airing in a PSA campaign.

GAAP requires contributions to be measured at their fair value. The framework for measuring fair value is market-based rather than entity-specific, defined in ASC Topic 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction

between market participants at the measurement date. In the context of a PSA, this means the value of the donated ad space in the most advantageous market. GAAP uses a hierarchy that categorizes inputs used to make this measurement into Level 1, Level 2, and Level 3.

Level 1 comprises observable inputs that occur when unadjusted quoted prices in an active market can provide reliable information on what buyers paid and sellers received for the purchase of similar assets (e.g., the stock exchange, currency exchange markets). GiKs rarely fall into this category, as there may not be an active market to rely on. Level 2 inputs, also called “other observable inputs,” are those other than the quoted prices included in Level 1. This includes quoted prices for similar assets in active and inactive markets or other inputs that are primarily derived or corroborated by observable market data, such as published price lists. In Level 3 of the hierarchy, there are no observable inputs to measure fair value. In this case, the NFP must determine what a market participant would use to price the asset in a hypothetical transaction using assumptions specific to the asset and the most advantageous market, assuming the market participants generally act in their economic best interest (ASC Topic 820; *Guide* paras. 3.138–3.168 and 5.130–5.146). The Nielsen and SQAD data listed above will most likely fall into Level 2 of the hierarchy, because it is based on the cost of paid advertising airtime, which is a similar asset to donated airtime.

Accounting for Program-Related Expenses versus Fund-Raising Costs

When a broadcast station donates its airtime, the NFP receives a GiK donation that provides it with the resources to air a PSA and then uses these resources to do so. As a result, accounting for the donated airtime is a two-step process, one recognizing the “creation” revenue and the other recognizing the expense related to

its use. Under GAAP, revenue and expense are recognized at exactly the same dollar amount, causing them to offset each other, and leaving the organization’s net income unchanged.

If net income does not change, why go through the effort of recognizing the revenue and expense at all? Because GAAP’s goal is to create a process where NFP financial statements reflect all of the financial resources entrusted to organizations, regardless of form. This provides users (e.g., potential donors, members, creditors) with a comprehensive picture of operations, which enables comparisons between similar organizations.

For broadcast PSAs designed to promote an organization’s program without seeking funding or asking for contributions, the associated expense is generally considered to be program related rather than fund-raising. If the PSA does attempt to raise funds, the broadcast station will likely charge a fee. In fact, most stations have strict policies about not accepting PSAs that solicit donations, and it is not uncommon to see an organization running two advertisements at the same time, one a PSA promoting its program and the other a paid ad soliciting donations.

Joint Costs

FASB has taken on a project to make NFPs’ financial statements more transparent with respect to proof that the resources received are being allocated to accomplish the mission of the organization (see “Financial Statements of Not-For-Profit Entities,” <http://bit.ly/1G6sz1P>). Accounting for joint costs and their respective allocation is a complex topic, but a brief overview of certain key resources is worth exploring. First, there is an excellent flowchart included in ASC Subtopic 958-720-55-22, *Not-for-Profit Entities—Other Expenses* (<http://bit.ly/1YGHrhk>, under “Implementation Guidance and Illustrations”). ASC Subtopic 958-720-55 (paras. 36–159) provides further guid-

ance about which joint costs should be measured and allocated. In addition, ASC Subtopic 958-720-45 (para. 34) provides guidance on accounting for costs of activities that include fundraising. Finally, the *Guide* addresses joint cost and the respective allocation methods (paras. 5.152–5.163 and 13.77–13.108), and incorporates the ASC flowchart (para. 13.113).

Joint activity is, by definition, activity that mixes fundraising with other functions of the NFP. Per ASC Subtopic 958-720-45-29 and *Guide* paragraph 13.77, if the criteria of purpose, audience, and content are met, then 1) the costs that are identifiable with a particular function should be charged to that function, and 2) joint costs should be allocated between fund raising and the appropriate program or management and general function. Purpose, audience, and content are determined as follows:

■ **Purpose:** Does the PSA accomplish or perform program or management and general functions?

■ **Audience:** Does the audience include prior donors, or is it otherwise selected based on its ability or likelihood to contribute to the NFP?

■ **Content:** Does the joint activity support program or management and general functions, as defined below?

■ **Program.** The joint activity calls for specific action by the recipient that will help accomplish the not-for-profit’s mission (see paras. 35–37 of ASC Subtopic 958-720-45 or *Guide* paras. 13.81–85). If the need for and benefits of the action are not clearly evident, information describing the action and explaining the need for and benefits of the action is provided.

■ **Management and general.** The joint activity fulfills one or more of the NFP’s management and general responsibilities through a component of the joint activity.

It is important to segregate program-related PSA costs from fund-raising and

management and general costs. Sometimes a single message in a broadcast PSA might be created to accomplish multiple purposes, for example, to raise awareness of a public need and to raise funds to further the organization's mission. In such a situation, it is necessary to identify program-related expenses incurred jointly with fund-raising expenses so that they can be apportioned and accounted for separately. For example, a GiK to an AIDS organization that publicizes where people can go to get healthcare would be a program-related activity, an advertisement that solicits donations would be a fund-raising activity, and the donation of professional legal services by a lawyer to draft a contract would be a management and general-related activity. In each case, the organization receives something of value that must be recorded as revenue and an appropriate expense (*Guide*, paras. 5.160–163).

Analyzing the Impact of PSAs on an Organization's Financial Statements

The ratio of program-related expenses to total revenue is a key measure used to determine the financial efficiency of an NFP. NFP rating and reporting agencies, such as GuideStar, Charity Navigator, Charity Watch, and the Better Business Bureau, include this metric as a component in the formulas they use to monitor and rate NFPs. This infor-

mation is publicly available and therefore tracked carefully, and any wrongdoing can be made public quickly. NFPs with program-related expenses resulting from non-fund-raising PSA donations generally score higher than those that only accept cash contributions, which serves as a secondary benefit of making their financial results more favorable to readers of their financial statements.

When a PSA is reported on the NFP's financial statements, all resources received whether in the form of cash donations or GiKs, are included in total revenue, and all resources used are included in total expense. In addition, because GiK donations are almost always associated with program-related activities, the percentage of revenue spent on program related activities increases, often dramatically. This leads the rating agencies to consider the organization a more efficient steward of donor money. Furthermore, the organization looks more attractive to prospective donors.

Imagine the following situation: NFP #1 ran a paid broadcast advertising campaign, spending \$50,000 to buy broadcast airtime. NFP #2 also spent \$50,000, but used the money to distribute a PSA campaign to television and radio stations. Before running these campaigns, each organization had received during the year \$10 million of cash donations during the year. Both organizations also spent \$5

million of these donations, or 50%, on program-related activities.

The \$50,000 that NFP #1 spent to buy airtime increased its program-related spending by from \$5 million to \$5,050,000. Revenue stayed at \$10 million, and the percentage spent on program-related activities increased to 51%. NFP #2, however, spent its \$50,000 to distribute a PSA. Based on the rule of thumb that a well-managed PSA campaign can reasonably expect to receive \$100 of free broadcast airtime for every \$1 spent distributing and valuing the PSA, NFP #2 received \$5 million of free airtime. As a result, NFP #2's revenue increased to \$15 million, and its spending on program-related activities increased to \$10,050,000. This pushed the percentage of revenue spent on program-related activities to 67%, clearly a very significant change in the organization's financial efficiency. The *Exhibit* shows these results in perfect clarity.

Both organizations spent the same \$50,000. Both organizations properly reported their activities in accordance with GAAP. The results of NFP #2's activities, however, dramatically improved through the use of PSAs. Its PSAs ran many more times, on many more stations, reaching many more people than NFP #1's paid ad. Its campaign had 100 times more airtime at its disposal, so clearly its promotion effort

EXHIBIT

How a PSA Campaign Makes a Not-For-Profit More Financially Efficient

	Both Organizations: Before Ad Campaign	Organization 1: Paid Ad Campaign	Organization 2: PSA Campaign
Revenue	\$10,000,000	\$10,000,000	\$15,000,000
Program-Related Spending	\$5,000,000	\$5,050,000	\$10,050,000
Percentage of Program-Related Spending to Total Revenue	50%	51%	67%

had a better chance of succeeding. Its financial statements showed it to be a far more financially efficient organization than before it ran the campaign, making it more attractive to rating agencies, creditors, and donors. Best of all, the activity was accurately presented; in fact, if NFP #2 had *not* reported the GiK revenue it received from the broadcast stations, its financial statements would not have been in compliance with GAAP.

GAAP vs. the IRS on Broadcast

Gifts-In-Kind

The IRS looks at things a bit differently. It specifically requires NFPs to exclude all broadcast GiKs from Form 990 tax returns. This is because the IRS views advertising as a service, not an asset-like inventory. It is possible that the IRS is concerned about opening the door to NFPs including volunteer services as an expense. Therefore, even though donations of other intangible assets like patents and copyrights are included in Form 990 tax returns, intangible assets like broadcast airtime are currently excluded.

These two divergent approaches are making life difficult for rating and reporting agencies. Their mission is to provide the public with impartial information about the financial activities of charitable organizations and to help potential donors determine which charities make the most efficient use of their resources. In doing this, they rely heavily on the percentage of revenue an organization spends on program-related activities. But where one agency uses GAAP financial information as the basis for its ratings, another might use Form 990 information, and a third might use a hybrid of the two. Time will only tell how FASB's current NFP project will further affect the situation.

Cost-Effective Communications

At a time when NFPs are under continuous pressure to be financially efficient, PSAs make it possible for an NFP to benefit from the ability to access valuable free local and national airtime, making PSAs very effective communications tools for qualified NFP organizations. CPAs can provide NFP clients with valuable advice and guidance in navigating the PSA rules, leading, with a little luck, to a campaign as timeless and effective as Smokey Bear. □

for them to communicate their messages. PSAs make it possible for an NFP to benefit from the ability to access valuable free local and national airtime, making PSAs very effective communications tools for qualified NFP organizations. CPAs can provide NFP clients with valuable advice and guidance in navigating

the PSA rules, leading, with a little luck, to a campaign as timeless and effective as Smokey Bear. □

Steven Edelman, CPA, is president of Connect360 Multimedia. Denise Moritz, CPA, is a senior manager at WeiserMazars LLP, New York, N.Y.

About the Broadcast Valuation Group

The Broadcast Valuation Group is a division of Connect360 that specializes in helping nonprofit organizations calculate the Gift-in-Kind value of their Public Service Announcement campaigns. It does this by providing fair market valuations that are in full-compliance with Generally Accepted Accounting Standards, using its access to non-public broadcast industry databases and proprietary valuation system. Over the past five years, the Broadcast Valuation Group has valued over 250 television and radio PSA campaigns, with a combined valuation of over \$2 billion.

All work is done under the supervision of Steven Edelman CPA, the author of this article. He can be reached at 212-624-9181; sedelman@c360m.com.

About Connect360

Connect360 Multimedia is a full-service marketing and communications company that develops campaigns for nonprofit organizations and government agencies that combine traditional broadcast media with innovative internet, digital, and social media tactics.

- PSA Development and Distribution
- Out-of-Home Marketing
- Satellite Media Tours
- Radio Media Tours
- Hispanic Marketing
- Infographic Design
- Whiteboard Video Production
- Internet Video (Hulu and Pre-Rolls)
- Internet Radio (Pandora and Spotify)
- Mobile Marketing
- Search Intent Marketing
- Behavioral Targeting
- Social Media
- And much more ...





Steven Edelman CPA * (*Non-alcoholic)
President

Member, American Institute of CPAs
Member, New York State Society of CPAs

January 22, 2020

Ms. Racy J. [REDACTED]
Alcoholics Anonymous World Services, Inc.
475 Riverside Drive, 11th Floor
New York, NY 10115

Dear Racy,

I am pleased to provide you with this 12-month valuation of Gift-in-Kind donations your organization received during its fiscal year ended December 31, 2019. Whenever a broadcast station or Out-Of-Home media company runs a Public Service Announcement for free, it has made a non-cash Gifts-in-Kind donation to the nonprofit organization. This letter is to help your Accounting department properly record these donations on your organization's financial statements. It supplements the information you received in your monthly reports.

The dollar value you received is shown in the box below. It was calculated in compliance with Generally Accepted Accounting Principles; the regulations that govern Not-for-Profit financial reporting. Please give this letter, the enclosed Valuation Summaries, Description of the Valuation Process, and enclosed *CPA Journal* article to your Controller or Chief Financial Officer.

Please feel free to contact me, if you have any questions. My phone number is [REDACTED] and email address is [REDACTED]

Sincerely,

A handwritten signature in black ink, appearing to read "Steven Edelman", is written over the word "Sincerely,".

Steven Edelman*

Donated PSA Media Valuation

Name of Organization:	Alcoholics Anonymous
Reporting Period:	January 1, 2019-December 31, 2019
Gift-in-Kind Valuation:	Broadcast: \$20,843,307
	Out-Of- Home: \$0
Total:	\$20,843,307

Connect360 Multimedia – 170 Old County Road; Mineola, NY 11501 – [REDACTED]



Connect360's PSA Media Valuation Process

As a CPA and President of Connect360, I have a special interest in making sure our Gift-In-Kind (GIK) valuations for donated broadcast airtime is done in full compliance with Generally Accepted Accounting Principles (GAAP), Financial Accounting Board (FASB) guidance, and the AICPA's *Audit and Accounting Guide for Not-for-Profit Entities*. Sections 5.152-5.163 of the Guide, issued by the AICPA's Financial Executive Reporting Committee (FinREC) in March 2015, defined Public Service Announcements (PSAs) as a "contributed asset" donated to a not-for profit (NFP) to help communicate its message or mission. As such, it must be reported as revenue in NFP financial statements, subject to the "Fair Value Measurement and Disclosure" requirements of FASB ASC Topic 820.

Public Service Announcements are noncash transactions created when a broadcast station airs a PSA for free. As such, even a single airing creates a reportable event according to FASB ASC 820. In most cases, this also creates a program-related expense, since advertising airtime is defined as a "sellable asset" used in fulfilling an organization's mission. What typically happens is each airing in a PSA campaign, which can be made up of hundreds to thousands of airings, must be valued individually. This is done as part of Connect360's valuation process. We then report the total of all such valuations to our clients, so they can be recorded in a single monthly or annual accounting entry.

For a fuller discussion of the accounting for Public Service Announcements, I have enclosed an article I wrote on the subject that was published in the April 2016 issue of the *CPA Journal* (published by the New York State Society of CPAs) and reprinted by a number of national and regional CPA firms.

Television PSA Tracking and Valuation

Television advertisements are encoded with a watermark that allows Nielsen Media Research to electronically identify each airing a PSA receives. Nielsen provides Connect360 with a daily feed that identifies by airing the name of the station that aired the PSA, time the advertisement ran, and the format (representing the length and creative content) the station elected to run. Nielsen's tracking data is then automatically fed to Connect360's Pinpoint reporting and valuation system. I mention this to indicate that there is no manual intervention in the process.

Airings are automatically matched to a continually updated audience database that Connect360 purchases from Nielsen. The data comes from the same source as used for Nielsen's television rating service. It contains by station and by daypart (time of day) audience data for virtually all 1400 commercial television stations that operate in the United States. Audience numbers are then divided by 1000 and matched with a contemporaneous fair market database of CPMs (cost per 1000 viewers) that represent prices actually paid by media buying services for advertising time airing in the same market (DMA), and same time of day (Day-Part), for ads of the same length as the PSA being analyzed. This contemporaneous market data comes from SQAD, a marketing research company that specializes in

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pooling together confidential fair market price information actually paid by the nation's largest media buying services. Connect360 is one of a limited group of valuation specialists who have access to this confidential data.

Our SQAD database is updated monthly, allowing us to meet the "fair value measurement" requirement called for in ASC 820's Level 2 valuation hierarchy of "other observable inputs." Television stations do publish list prices for the sale of advertising time; however, because media prices are heavily impacted by discounting and price negotiations, list prices do not accurately reflect actual prices buyers paid or meet FinREC requirements.

Using this data, Connect360's Pinpoint valuation system calculates the dollar value of each of the hundreds to thousands of airings that make up a typical PSA campaign and provides its clients with monthly results data (including airings by market, audience impressions, demographic data, and usage by format) and valuation information. At the end of each client's fiscal year, we provide a valuation summary to assist in financial reporting.

Radio Tracking and Valuation

Nielsen Audio creates a digital signature or "fingerprint" of the radio PSA audio track, which its listening stations around the country identify through the use of artificial intelligence. Nielsen currently tracks about 2100 of the nation's largest radio stations, which tend to be stations centered in the largest DMA markets. As with television, Nielsen provides Connect360 with a daily feed of identified airings. Airing information from small stations not tracked by Nielsen (there are approximately 12,000 radio stations in the United States) is gathered from self-reported usage provided directly by stations to Connect360's proprietary usage reporting website.

This airing data is matched by daypart with a database of radio audience, purchased from Nielsen Audio and valued using SQAD CPM values on a DMA by DMA basis with adjustments for spot length, as done for television. Connect360 is one of a very small number of valuation specialists that have access to this confidential information. As with TV, the reporting process meets GAAP's contemporaneous and fair market valuation requirements.

In very small markets, where limited audience data is provided by Nielsen for specific day-parts due to statistically low station response to Nielsen surveys, Pinpoint is able to model data based on information that Nielsen does have station information for in the same DMA and day-part. In all cases, only contemporaneous tracking and market data are used.

Out-Of-Home Media Valuation

Out-Of-Home media includes billboards, airport advertising, digital signage, and other media services provided by media companies that specialize in this type of advertising. The value of the media donated by these companies comes from the companies that provide the media and represents the amount they charge their commercial customers for the same signage, in the same market, at the same time of year as the donated media runs. When a media company requires a nonprofit to pay for part of the cost the media or related services, any payment made to the media company is subtracted from the value reported by the company. In this case, only the net amount (the free portion) is reported as donated value. This bifurcates the transaction, with the free part of transaction being reported as a Gift-in-Kind donation and the paid portion an exchange transaction, consistent with ASC 606's guidance on revenue recognition.

The Reporting Process

Connect360 provides its clients with both monthly and fiscal year data. It also is always ready to assist auditors and CPA firms to understand its valuations and its impact on the financial reporting process. In all cases, our valuation process is always transparent and highly auditable, because the integrity of our valuations is a key part of everything we do.

If you have any questions, please feel to give me a call. .

Steven Edelman
President

Updated 1/9/18

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Trustees' Committee on Public Information Subcommittee on a Google for Nonprofits Implementation Plan Final Report

At the July 30, 2016 meeting of the trustees' Committee on Public Information Ivan L., chairperson, appointed a subcommittee with Beau B., chair; Caroline C., Stephanie H., Homer M. and Albin Z. to oversee the development of a plan to implement a Google for Nonprofits account and the scope of services to be utilized. Josh E. was added to the subcommittee on October 31, 2016 to replace Caroline C. and Albin Z. who is no longer as Appointed Committee Member or General Service Trustee respectively on the trustees' Committee on Public Information.

The subcommittee met three times by conference call between September and December 2016. Additional discussions via email also occurred between these calls.

Introduction:

The General Service Conference requested that: "A proposal for implementing a Google for Nonprofits account for carrying the message of A.A. to the public be developed and brought back to the 2017 Conference Public Information Committee for review." The following document outlines a plan for the implementation and application of Google for Nonprofits by the General Service Office of Alcoholics Anonymous.

While Google for Nonprofits offers many potentially useful tools for AA, the plan outlined below focuses on a staged approach for only two of these tools, the YouTube for Nonprofit Program and Google Ad Grants. These two offerings were determined to be the most relevant and beneficial in improving our search placement results and in carrying the message of Alcoholics Anonymous. Others like G Suite and Google Earth may prove useful to A.A.W.S. or AA Grapevine at some point in the future, but these first two were the focus of the implementation plan over the next three years.

The YouTube Nonprofit Program is a powerful tool that will allow us to accomplish two goals. Share our video content more broadly in a contemporary medium while also meaningfully improving our search engine optimization. The impact of this tool alone in communicating AA's message is so strong that we recommend implementation as soon as possible. The Google Ad Grants tool may further improve our search engine optimization, but warrants additional discussion within the Fellowship before implementation. Therefore, the subcommittee recommends adoption of this plan for the implementation of a Google for Nonprofits account by the General Service Office of Alcoholics Anonymous focused on the YouTube Nonprofit Program. The subcommittee also suggests continued research and discussion of Google Ad Grants offered to Google for Nonprofits accounts.

Finally, the terms and conditions contain statements that warranted exploration and understanding within the context of our Traditions, upon investigation however, the subcommittee did not find anything that was in direct conflict with our Traditions. Having passed this initial review focused on the Traditions, a legal review of these terms and conditions will be the next step. A more detailed explanation of these terms and conditions and a summary of our review can be found in the second half of this document.



Description of YouTube Nonprofit Program and Google Ad Grants:



YouTube has over a billion users (almost 1/3 of all people on the internet) and it is the second largest Internet search engine, after Google. Every day people watch hundreds of millions of hours of video on YouTube and generate billions of views. YouTube overall, and even YouTube on mobile alone, reaches more 18-34 and 18-49 year-olds than any cable network in the U.S.

YOUTUBE NONPROFIT PROGRAM

The YouTube Non-Profit program will allow us to house our video content in a single location, offering local service structures and Intergroups the ability to embed our video content directly into their local websites. This linking of content and websites will increase the search rankings of all the sites involved and improve organic search results for all. Organic in this context means naturally occurring and therefore free.

Switching our video player at aa.org to embed YouTube videos will amplify this connection while offering a more attractive video experience. It would also allow us to track usage and views for each individual piece of content in real time to gauge its effectiveness.

Being on YouTube as a non-profit allows us more interactivity with YouTube users. This comes in two forms; Pre-Roll and interactivity with our videos themselves known as cards. When a user searches for videos on YouTube they are often presented with a short clip of related video content that plays prior to the selected videos. This clip is known as Pre-Roll. When YouTube users select videos using search terms related to Alcoholics Anonymous, one of our brief PSAs could be offered as Pre-Roll. This feature will give us access to placing our PSA content as Pre-Roll on YouTube videos in the same way our PSA's currently run on Television.

On YouTube the term "cards" defines a feature that enables interactivity with those watching AA videos. Some examples of how cards could be used are simple hyperlink pop-ups that say "to find out more about A.A. go to aa.org," "Do you need help with a drinking problem?" or "If you are a professional looking to learn more about Alcoholics Anonymous, click here." The associated website card can be used to allow the user to click through to aa.org. The link anywhere card can be used to direct customers to a URL not associated with the account (e.g. aagrapevine.org, when appropriate). The availability of the cards is called out in a pop up on the screen that fades out and is replaced by a button with the letter "I" in the upper right hand corner of the video and users can click it to reveal the cards. The cards are then displayed in a panel to the right of the video. Analytics are available to evaluate how often users interact with the cards.

For these utilities alone we feel that, a Google for Nonprofits account utilizing YouTube Nonprofit Program on its own an extremely powerful resource for carrying the message. Unlike standard accounts a non-profit account gives us access to assistance from Google staff for guidance in set-up and best practices. It also provides us greater support and assistance from experts in this new to Alcoholics Anonymous venture.

Through the YouTube for Nonprofit Program, G.S.O. will be able to set up a channel to play our video content on YouTube, and can tag its channel with all of the keywords its users are likely to use to search for AA content or to stop drinking.

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Additionally, when G.S.O's YouTube channel reaches 1,000 subscribers, we are permitted to use YouTube's production studio in NYC to shoot or edit videos. Using a professional studio offers us higher production values at no additional cost.

All YouTube videos can contain overlays. An overlay is a message at the end of a video that can inform the viewer that they are watching a video created by Alcoholics Anonymous and provide them with a web link to find out more information about Alcoholics Anonymous. One overlay can be used per video and the message can be changed. The overlay would appear on the screen unless the viewer dismissed it. Overlays can encourage viewers to: visit aa.org for more info, find a meeting near them, review a pamphlet relevant to the video's message, etc.



GOOGLE AD GRANTS

Search Engine Optimization is an attempt to improve the search engine rankings of your site in order to allow content to appear at the top of a page of results when related terms are searched. In search results Google displays the pages it considers relevant and authoritative. Authority is mostly measured by analyzing the number and quality of links from other web pages. Relevance is measured by the use of your material as a response to the term searched. Other factors like mobile friendly are added as the search algorithm is improved upon. YouTube is the strongest opportunity for improving Alcoholics Anonymous' "Organic" search optimization.

AdWords is a paid alternative to organic search. It allows an organization to bid on key search words so that when they are sent through a search box, your website and information is displayed in the paid box at the top of the page. AdWords would be a paid alternative to organic search allowing for a guarantee that links to aa.org would appear in the paid box at the top of the page should select keywords we bid on be used. Google *Ad Grants* provides a \$10,000 monthly grant of bids towards keywords assigned to the non-profit websites. Whether or not these *Ad Grants* are the internet equivalent of the \$20 million in estimated donated airtime from television stations that Alcoholics Anonymous received for the first year of "Doors" release is a question that is still under debate.

AdWords would allow A.A. to run written or video PSAs on Google that link to landing pages for aa.org. The PSAs would then appear if a customer enters the positive search terms we've identified for our PSA, then the PSA could appear next to the organic search results. All of the PSAs and ads from all organizations associated with the search term would "bid" for the ad space. If A.A.'s PSA has the winning bid, then our PSA would display. We can also set up negative search terms that identify searches that are not relevant to A.A. (e.g. Addict and Car) then our PSA would not display. Analytical and consulting support for the complex capability for ad words is freely provided by the Google for Nonprofits support staff.

At this point, there is still some debate about Ad Words within the committee and whether or not it is aligned with A.A.'s Traditions. While the offering is seen by some as similar to the donated airtime A.A. currently receives from television stations, it is also seen by some in the membership as an inappropriate donation. As a result, we are suggesting that this topic may need more time for discussion and debate.

The key question for further discussion on this topic is: *Are Google Ad Grants provided to non-profit organizations for improving priority in Google search results different than receiving donated airtime from television stations?*

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The plan for implementing Google Ad words would be much simpler than the plan for YouTube and would simply involve close work with the Google for Nonprofits team in analyzing and developing the most appropriate positive and negative search terms.

The recommended implementation plan is attached for your review as a series of steps over the next two years that would begin at the completion of Conference assuming recommendation and approval.

Google for Nonprofits - YouTube Implementation Plan:

The Implementation Plan for a non-profit YouTube channel for Alcoholics Anonymous

The plan outlined in this document contains five key elements described below:

Application Process	To successfully navigate the process and legal review of the application for A.A.W.S. and A.A. Grapevine, Inc.
Creation & Design	To create an easy to find online video channel for single source access to online video developed by Alcoholics Anonymous with clean, attractive design.
Content	To prioritize the 2015 Conference Advisory action and begin actively translate conference material into easily digestible video.
Local Support	To continue active dialogue with local websites in an ongoing oversight of functionality and usefulness.
Engagement	To measure and improve engagement with the general public and professional community, those seeking help, and local service structure.

AAWS Application Process for Google for Nonprofits:

To successfully navigate the process and legal review of the application for A.A.W.S. and A.A. Grapevine, Inc.

Objectives	Measured by	Strategies	Tactics
Begin application for A.A.W.S.	Quarterly Updates to the A.A.W.S. Board and appropriate committees	- Legal Review of Terms and Conditions - Technology Review by A.A.W.S.	- Review of previous A.A.G.V. Research in process and application. - A.A.W.S. Legal review - A.A.W.S. TCS committee review of implementation plan - Share findings with both corporate boards and appropriate committees
AA Grapevine Inc. re-engage previous exploration of the potential benefits of Google For Nonprofits	Initial discussion and report back from A.A. Grapevine, Inc. Board	Formal request for consideration to the A.A.G.V. Board	- Review of previous A.A.G.V. Research in process and application. - Share findings with both corporate boards and appropriate committees

Creation and Design of A.A. YouTube Channel:

To create an online video channel for single source access to online video developed by Alcoholics Anonymous with clean, attractive design

Objectives	Measured by	Strategies	Tactics
Design an easy to find and navigate page with clean recognizable design and naming.	- Ease of use - Visual recognition that the page is clearly related to aa.org Alcoholics Anonymous - Active response to feedback from fellowship. - Site metrics	- Design and build a YouTube page for Alcoholics Anonymous with based on how potential members may approach the topic. (Design focus as an introduction to Alcoholics Anonymous) - Clearly define design team and opportunities for input from collaborators - Collaborate with Google experts - User Testing - Content audit	- Identify lead designer from within AAWS publishing - Identify and utilize existing style references that visually reinforce that the page is connected to AlcoholicsAnonymous.org - Create user experience team for input and testing from within the service structure and fellowship - Upon acceptance of application work with Google to verify account with the name <u>Alcoholics Anonymous</u> (i.e. not PublicInfo, or AAPublicInfo...) - By default, this process will identify for Google any accounts using our name without permission. - Upon acceptance of application work with Google to seek input on functionality and best practices. - Utilize a team of volunteers for site testing and feedback on look and functionality. - Provide a short style guide document and embedding instruction for local structure. - Audit existing content to separate the outward facing message from the video tools that are useful to local service. - Organize current videos as to most useful and engaging content for the main page and public viewing vs content for local service that can be placed deeper within the page. - Identify important messages that might be lacking in video form.

Content on A.A. YouTube Channel:

To prioritize the 2015 Conference Advisory action and begin actively translate conference material into easily digestible video.

Objectives	Measured by	Strategies	Tactics
Prioritize translation of additional conference approved content into video based on expressed need and current use (i.e. most popular pamphlets or service material)	- A.A.W.S. Content Audit - Expressed need from the fellowship. - Creating and meeting timeline goals.	- Request for Sharing - A.A.W.S. Content Audit - List of video topics in order of priority and identifying older content for possible removal - Exploration of vendors for creation of simple video - Timeline with associated costs - Engage YouTube Spaces for production expertise once 1000 subscribers goal reached	- Send out a request for sharing through the Delegates to get input from the fellowship about what aspects of our conference materials they would like to see in video format. - Conduct an internal audit with input from the boards, Trustee's committees, and Staff about what aspects of our conference materials they would like to see in video format. - Combine those findings into a living document that prioritizes what content should be produced. - Conduct a triple bid for vendors that could create a package of videos allowing for bulk savings - Generate a timeline that covers between 2 and 4 years of process to implement. - Consider rotation of cost impact by rotating years in which we produce PSA's for television and video content for aa.org and the YouTube page. - Explore utilizing shoot and edit resources offered by YouTube Spaces in NYC once we reach the 1000 subscriber goal.

Local Support on A.A. YouTube Channel:

To continue active dialogue with local websites in an ongoing oversight of functionality and usefulness.

Objectives	Measured by	Strategies	Tactics
Collaboration and unity over content and use of video tools.	- Regular direct updates on progress - Direct feedback from the fellowship. - Creating and meeting timeline goals.	- Create a workflow for direct announcements to local website committees - Create a workflow for receipt of feedback with acknowledgment and next steps response - Plan for regular update of new video material to maintain fresh content on our YouTube channel	- Create a distribution list of all A.A. website committees - Divide technical feedback and content feedback between the Communications desk and PI desk accordingly. - Quarterly status updates on initial set up launch date and new content as it is live. - Maintain an active timeline of rotation for new and old content. - Allow for lead time on new content so local structures and determine if they want to take advantage of new messages. - Give ample notification time prior to removing any dated content from the site.

Engagement:

To measure and improve engagement with the general public, professional community, those seeking help, and local service structures.

Objectives	Measured by	Strategies	Tactics
Increase our online visibility with a focus on video	- Online traffic to aa.org, local sites, and YouTube page - Overall usages and views - Number of local sites connected to YouTube channel - Number of followers for YouTube channel - Volume of usage by professional websites.	- Create a standing analytics subcommittee for TCS - Create a standing analytics report from IOWC - Create a standing analytics subcommittee for Trustee's PI - Explore feasibility of a social media manager for the YouTube page along with any other active social channels	- Review and analyze access to video content through YouTube vs. current website access. - Report out on success and failure with recommendations for improvement

Review of the Terms and Conditions for Google for Nonprofit:

Regarding A.A.'s Traditions, the main points of concern discussed were outside contributions, affiliation, and anonymity. We have a history as an organization of accepting services that are offered to all non-profits provided that such services do not place any organization in a position of influence over A.A. policy. The terms and conditions of Google for Nonprofits do not affiliate A.A. with Google beyond the standard vendor agreement that Google signs with other non-profit organizations. Anonymity continues to be a concern that the subcommittee feel needs to be addressed at the individual and group level. Platforms of communication do not break anonymity. People do. We need to continue to educate one another about anonymous ways to contribute to public information without personality so that we can all fulfill our Fifth Tradition responsibility without failing to live up to the Eleventh and Twelfth Traditions and placing principles before personality.

The subcommittee has reviewed Google's terms from both the spiritual and business perspective and has provided general comments below regarding key areas of concern. As a part of the plan for implementing improved video sharing and improved visibility of our website we would recommend that A.A.W.S. have these terms and conditions as well as the contractual language reviewed from a legal perspective.

Application Conditions – One of the conditions of the application for Google for Nonprofits is that we certify “my organization may receive this donation under its own policy and applicable laws and regulations.” “Donation” refers to the in kind service donation Google offers to all eligible non-profits, a \$10,000 monthly donation toward Ad Words services. In other words, we must prove to Google that we are a non-profit organization as a part of our application to Google for Nonprofits. This agreement is a free service available

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to all eligible non-profits and like all other non-profits currently in the Google for Nonprofits program we must prove our non-profit status. Given that this in kind donation is provided to all eligible non-profits, the subcommittee does not believe that it is a violation of the Seventh Tradition. Instead, we feel that it is akin to all of the other financial considerations we receive and have received by virtue of our non-profit status – e.g. the pro bono and low bono advertising creative services and ad placement fees received for our PSAs and even the tax exempt status we enjoy as compared to for-profit organizations.

“Your Content in our Services” – Google acts in part as an online publisher of other organizations’ copyrighted content. As such, Google requires the right to handle that content so that they can execute their work as publishers. Accordingly, after taking care to reaffirm that we would *“retain ownership of any intellectual property rights that you hold in that content,”* the Terms establish that, when it comes to content we upload on their site (primarily A.A. videos on YouTube), Google would have to right to *“host, store, reproduce, modify, create derivative works (such as those resulting from translations, adaptations or other changes we make so that your content works better with our Services) communicate, publish, publicly perform, publicly display and distribute such content.”* The rights they grant to themselves to carry out their work as online publishers are broad but, in practice, the subcommittee has not found any evidence that they have violated the trust of any of their Google for Nonprofits clients by using these rights in unexpected ways.

This section also has information that pertains mostly to people actively using Google Account services such as email. Should A.A. require a Google Account to use any of the Google for Nonprofits offerings, we would recommend that a non-alcoholic staff member open the account on behalf of A.A., that no full face photos be associated with this account, and that settings are set so that the administrator’s name and photo don’t appear on the account

“About these Terms” – As is customary for a benefit program, such as Google for Nonprofits, the terms include a clause reserving the right to change terms and conditions following a 14-day notice period. Most businesses will do this to protect themselves against the risk of being forced to perpetuate a program that might no longer be economically tenable for them. While not unreasonable or shocking to see this as one of the conditions, it does mean that A.A.W.S. would need to have these Terms and Conditions reviewed when and if they are ever updated to ensure that they remain fair, tenable and appropriate for AA.

Appendix - Review of Additional Offerings:

Throughout these discussions we covered other possible information/video sharing platforms none of the video platforms explored met the same volume of reach and utility as YouTube. There is a reason that many of these aren't as commonly known to the general public. The following descriptions may include content extracted directly from the platform websites.

YouTube:

YouTube is a video-sharing website, which operates as one of Google's subsidiaries. The site allows users to upload, view, rate, share, and comment on videos, and it makes use of WebM, and Adobe Flash Video technology to display a wide variety of user-generated and corporate media videos. Available content includes video clips, TV show clips, music videos, audio recordings, movie trailers, and other content such as video blogging, short original videos, and educational videos.

Most of the content on YouTube has been uploaded by individuals, but media corporations including CBS, the BBC, Vevo, Hulu, and other organizations offer some of their material via YouTube, as part of the YouTube partnership program.

YouTube offers users the ability to view its videos on web pages outside their website. Each YouTube video is accompanied by a piece of HTML that can be used to embed it on any page on the Web.^[90] This functionality is often used to embed YouTube videos in social networking pages and blogs. Users wishing to post a video discussing, inspired by or related to another user's video are able to make a "video response". Embedding, rating, commenting and response posting can be disabled by the video owner.

Most videos enable users to leave comments, and these have attracted attention for the negative aspects of both their form and content. This function can be turned off.

Vimeo:

<https://en.wikipedia.org/wiki/Vimeo>

Vimeo is a video-sharing website in which users can upload, share and view videos. As of December 2013, Vimeo attracts more than 100 million unique visitors per month and more than 22 million registered users.^[11] Fifteen percent of Vimeo's traffic comes from mobile devices.^[12] As of February 2013, Vimeo accounted for 0.11% of all Internet bandwidth, following fellow video sharing sites YouTube and Facebook. On August 1, 2011, Vimeo introduced the PRO account type for business and commercial use, which allows 50GB of storage, 250k plays, advanced analytics, third-party video player support and more.

Everyone except "small scale independent production companies, non-profits, and artists who want to use the Vimeo Service to showcase or promote their own creative works" must become Vimeo PRO subscribers in order to upload commercial videos or use Vimeo for their business's video hosting needs.

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	Basic	Plus	PRO	PRO Unlimited	Business
Weekly disk space	500 MB	5 GB	20 GB	N/A	N/A
Annual disk space	25 GB	250 GB	1 TB	3 TB	5 TB
Collaboration	No	No	Yes	Yes	Yes
Commercial used allowed	No	No	Yes	Yes	Yes

Adobe Social:

All said and done, Adobe Social combines the ability to develop content, buy, target, measure, and optimize social media spend with traditional social media management tool capabilities like tracking, listening and engaging.

No more hunches. Know the impact of your social marketing.

Marketers need a more simplified approach to executing social media and turning those efforts into measurable business results.

Adobe Social product overview

Use Adobe Social to move from social media intuition to marketing insight.

Social media has become part of everyday life. It is no longer a nice to have, but a must have. Adobe® Social enables marketers to use social data as an input to optimizing interactions with their customers and prospects across all channels.

The Adobe Social:

Helps you see the social media data with other digital analytics

Integrates social media data with other digital analytics

Gives you real-time measurement and segmentation on social networks

Use Adobe Social to move from social media intuition to marketing insight.

Social media has become part of everyday life. It is no longer a nice to have, but a must have. Adobe® Social enables marketers to use social data as an input to optimizing interactions with their customers and prospects across all channels.

The Adobe Social:

Helps you see the social media data with other digital analytics

Integrates social media data with other digital analytics

Gives you real-time measurement and segmentation on social networks

HigherLogic.com:

<https://www.higherlogic.com/products/overview>

Create an Engaging Experience for Your Community

Engagement platforms that make it easy to create value for your customers and inform your organization

We're an engagement company. We built this suite of products to support Higher Logic's mission: to bring your organization and your people together. And when that happens, your customers and members become invested, their experience improves, and your organization makes better decisions based on user-generated data.

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Customer success starts with building a network of engaged customers. Each of our products takes members and customers beyond traditional engagement to create frictionless, loyal connections – anytime, anywhere.

Engagement equals higher retention

Our products facilitate idea sharing and connections – amongst members, customers, prospects and your organization. Guide them through a personalized journey with community, where each small step creates stronger engagement and deeper loyalty. Better engagement gives both you and your members a wealth of knowledge and resources. Every interaction with our products generates information – which we make easy for you to track and integrate with various products and services.

Start creating long-term relationships that translate into higher retention and overall satisfaction.

Engagement platforms for every organization

1. Online Communities

An online community gives your customers, members and prospects a secure and interactive location to engage and build value. Provide faster, better response times for your users, while improving loyalty and increasing retention.

[Learn more](#)

2. Volunteer Management

Our Volunteer Management platform makes it easy to find, track and reward volunteer engagement. This flexible system helps organizations personalize every member's volunteer journey, accelerating their levels of engagement.

[Learn more](#)

3. Customer Advocacy Management

Customers are the foundation of any company's success. Our Customer Advocacy Management platform simplifies the process of turning your passionate customers into brand advocates at every level, from recognition programs to automating advocacy and effectively tracking activities.

[Learn more](#)

4. Small Org Web Management

Use our Small Org Web Management solution to build a compelling website that supports your organization's mission and goals, while empowering your members to interact and share industry insights with our built-in community tools.

[Learn more](#)

5. Event Communities

Our Event Communities platform is the perfect way to build engagement throughout an event – attendees can interact at any time, helping you build momentum, increase engagement and ultimately expand event relevancy.

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Join the program

Get further, faster. Members will gain access to premium Google products and support, including:

- **Google Ad Grants:** Free AdWords advertising to promote your website on Google through keyword targeting.
- **YouTube Nonprofit Program:** Access exclusive resources, features and programs designed to maximize your organization's impact on YouTube.
- **Google Apps for Nonprofit:** Free version of the Google Apps business productivity suite, including Gmail, Docs, Calendar, and more.
- **One Today by Google:** Free access to a mobile fundraising platform.
- **Google Earth Outreach Grants:** Develop customized Enterprise-level maps for your organization using HTML5 and Javascript with [Google Maps APIs](#).

Ready, steady, go?

Apply to Google for Nonprofits

Here's how to apply to Google for Nonprofits:



1 Review eligibility requirements



2 Apply to the program



3 Once approved, enroll in specific Google products



4 Get started with product tutorials

Important Eligibility Details:

At present, Google for Nonprofits is open only to organizations in the countries listed [here](#).

- Organizations based in other countries can view Google's [country-specific programs](#) for nonprofits.

US nonprofits: To be considered for inclusion in the Google for Nonprofits program, an organization's 501(c)(3) status must first be publicly updated in the IRS's online database. Copies of IRS letters are not sufficient for this requirement. You can review your organization's current status [here](#). Please note that this update can take some time after an organization receives IRS notification of its 501(c)(3) determination.

We only allow one membership per organization. However, branches of umbrella organizations that share Employee Identification Numbers (EINs) with their parent organizations are eligible for individual memberships. Branches must indicate that they are applying as a "related organization" during the application process and go through additional screening.

[Help Center](#)

the confidentiality of the material and the anonymity of members

Eligibility guidelines

Organizations that meet the following criteria are eligible to participate in the Google for Nonprofits program:

- 1. **Registered as a charitable organization** in one of the countries listed below. In the United States, organizations must be listed in the online database of the IRS for Google to verify their eligibility. In all other countries, organizations must be registered with the local TechSoup partner in their country. See details below.
- 2. **Not one of the following:**
 - Governmental entity or organization
 - Hospital or health care organization
 - School, childcare center, academic institution, or university (philanthropic arms of educational organizations are eligible). To learn more about Google’s programs for educational institutions, visit [Google for Education](#).
- 3. **Meeting the detailed requirements in their country (click on the blue down arrow to see each country's requirements):**

United States of America

- Organizations must be recognized by the IRS as tax-exempt 501(c)(3) organizations formed for charitable, educational, religious, literary, scientific, or other tax-exempt purposes. For more information, see [How to Apply for Charity Status](#).
- Organizations that rely on the [group 501\(c\)\(3\) exemption](#) of a central (“umbrella”) organization can apply to Google for Nonprofits as a "related organization." See instructions [here](#).
- Fiscally sponsored organizations are not eligible for Google for Nonprofits.
- Organizations, such as churches, that are automatically considered tax-exempt must still obtain recognition of 501(c)(3) tax exemption from the IRS to qualify for the Google for Nonprofits program.



Google for Nonprofits

Send Feedback

Membership Application

Only registered and recognized 501(c)(3) nonprofits headquartered in the United States are eligible for membership. Fiscally sponsored organizations are not eligible. For more questions on eligibility, please see our [eligibility guidelines](#).

Note: If you are a previous grantee of any of the individual Google for Nonprofits offerings (e.g., Google Ad Grants, Apps for Nonprofits, the YouTube Nonprofit Program), we encourage you to apply for membership in the Google for Nonprofits Program to access additional benefits. You will not need to re-enroll in offerings that you are already receiving today.

Nonprofit status

- * I certify that:
- ☐ My organization is a registered and recognized 501(c)(3) in the United States.
 - ☐ My organization does not discriminate on any unlawful basis in either hiring/employment practices or in the administration of programs and services.
 - ☐ My organization does not discriminate on the basis of sexual orientation or gender identity in hiring/employment practices.
 - ☐ My organization may receive this donation under its own policy and applicable laws and regulations; this donation will not negatively impact Google's current or future ability to do business with my organization; and this donation will not be used to corruptly influence any government official to obtain or retain business or any improper advantage.

* Employer ID (EIN) ?

Just to confirm your request and fight spam. [What's this?](#)



* Type the text you see:



Continue



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Last modified: April 14, 2014 ([view archived versions](#))

Welcome to Google!

Thanks for using our products and services (“Services”). The Services are provided by Google Inc. (“Google”), located at 1600 Amphitheatre Parkway, Mountain View, CA 94043, United States.

By using our Services, you are agreeing to these terms. Please read them carefully.

Our Services are very diverse, so sometimes additional terms or product requirements (including age requirements) may apply. Additional terms will be available with the relevant Services, and those additional terms become part of your agreement with us if you use those Services.

Using our Services

You must follow any policies made available to you within the Services.

Don’t misuse our Services. For example, don’t interfere with our Services or try to access them using a method other than the interface and the instructions that we provide. You may use our Services only as permitted by law, including applicable export and re-export control laws and regulations. We may suspend or stop providing our Services to you if you do not comply with our terms or policies or if we are investigating suspected misconduct.

Using our Services does not give you ownership of any intellectual property rights in our Services or the content you access. You may not use content from our Services unless you obtain permission from its owner or are otherwise permitted by law. These terms do not grant you the right to use any branding or logos used in our Services. Don’t remove, obscure, or alter any legal notices displayed in or along with our Services.

Our Services display some content that is not Google’s. This content is the sole responsibility of the entity that makes it available. We may review content to determine whether it is illegal or violates our policies, and we may remove or refuse to display content that we reasonably believe violates our policies or the law. But that does not necessarily mean that we review content, so please don’t assume that we do.

In connection with your use of the Services, we may send you service announcements, administrative messages, and other information. You may opt out of some of those communications.

CONFIDENTIAL: This is background for the 71st General Service Conference, and as such may be a confidential A.A. document. Distribution is limited to A.A. members. Placement of this material in a location accessible to the public, including aspects of the Internet, such as websites available to the public, may breach the confidentiality of the material and the anonymity of members, since it may contain members’ full names and addresses.

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Some of our Services are available on mobile devices. Do not use such Services in a way that distracts you and prevents you from obeying traffic or safety laws.

Your Google Account

You may need a Google Account in order to use some of our Services. You may create your own Google Account, or your Google Account may be assigned to you by an administrator, such as your employer or educational institution. If you are using a Google Account assigned to you by an administrator, different or additional terms may apply and your administrator may be able to access or disable your account.

To protect your Google Account, keep your password confidential. You are responsible for the activity that happens on or through your Google Account. Try not to reuse your Google Account password on third-party applications. If you learn of any unauthorized use of your password or Google Account, [follow these instructions](#).

Privacy and Copyright Protection

Google's [privacy policies](#) explain how we treat your personal data and protect your privacy when you use our Services. By using our Services, you agree that Google can use such data in accordance with our privacy policies.

We respond to notices of alleged copyright infringement and terminate accounts of repeat infringers according to the process set out in the U.S. Digital Millennium Copyright Act.

We provide information to help copyright holders manage their intellectual property online. If you think somebody is violating your copyrights and want to notify us, you can find information about submitting notices and Google's policy about responding to notices [in our Help Center](#).

Your Content in our Services

Some of our Services allow you to upload, submit, store, send or receive content. You retain ownership of any intellectual property rights that you hold in that content. In short, what belongs to you stays yours.

When you upload, submit, store, send or receive content to or through our Services, you give Google (and those we work with) a worldwide license to use, host, store, reproduce, modify, create derivative works (such as those resulting from translations, adaptations or other changes we make so that your content works better with our Services), communicate, publish, publicly perform, publicly display and distribute such content. The rights you grant in this license are for the limited purpose of operating, promoting, and improving our Services, and to develop new ones. This license continues even if you stop using our Services (for example, for a business listing you have added to Google Maps). Some Services may offer you ways to access and remove content that has been provided to that Service. Also, in some of our Services, there are terms or settings that narrow the scope of our use of the content submitted in those Services. Make sure you have the necessary rights to grant us this license for any content that you submit to our Services.

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Our automated systems analyze your content (including emails) to provide you personally relevant product features, such as customized search results, tailored advertising, and spam and malware detection. This analysis occurs as the content is sent, received, and when it is stored.

If you have a Google Account, we may display your Profile name, Profile photo, and actions you take on Google or on third-party applications connected to your Google Account (such as +1's, reviews you write and comments you post) in our Services, including displaying in ads and other commercial contexts. We will respect the choices you make to limit sharing or visibility settings in your Google Account. For example, you can choose your settings so your name and photo do not appear in an ad.

You can find more information about how Google uses and stores content in the privacy policy or additional terms for particular Services. If you submit feedback or suggestions about our Services, we may use your feedback or suggestions without obligation to you.

About Software in our Services

When a Service requires or includes downloadable software, this software may update automatically on your device once a new version or feature is available. Some Services may let you adjust your automatic update settings.

Google gives you a personal, worldwide, royalty-free, non-assignable and non-exclusive license to use the software provided to you by Google as part of the Services. This license is for the sole purpose of enabling you to use and enjoy the benefit of the Services as provided by Google, in the manner permitted by these terms. You may not copy, modify, distribute, sell, or lease any part of our Services or included software, nor may you reverse engineer or attempt to extract the source code of that software, unless laws prohibit those restrictions or you have our written permission.

Open source software is important to us. Some software used in our Services may be offered under an open source license that we will make available to you. There may be provisions in the open source license that expressly override some of these terms.

Modifying and Terminating our Services

We are constantly changing and improving our Services. We may add or remove functionalities or features, and we may suspend or stop a Service altogether.

You can stop using our Services at any time, although we'll be sorry to see you go. Google may also stop providing Services to you, or add or create new limits to our Services at any time.

We believe that you own your data and preserving your access to such data is important. If we discontinue a Service, where reasonably possible, we will give you reasonable advance notice and a chance to get information out of that Service.

Our Warranties and Disclaimers

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We provide our Services using a commercially reasonable level of skill and care and we hope that you will enjoy using them. But there are certain things that we don't promise about our Services.

OTHER THAN AS EXPRESSLY SET OUT IN THESE TERMS OR ADDITIONAL TERMS, NEITHER GOOGLE NOR ITS SUPPLIERS OR DISTRIBUTORS MAKE ANY SPECIFIC PROMISES ABOUT THE SERVICES. FOR EXAMPLE, WE DON'T MAKE ANY COMMITMENTS ABOUT THE CONTENT WITHIN THE SERVICES, THE SPECIFIC FUNCTIONS OF THE SERVICES, OR THEIR RELIABILITY, AVAILABILITY, OR ABILITY TO MEET YOUR NEEDS. WE PROVIDE THE SERVICES "AS IS".

SOME JURISDICTIONS PROVIDE FOR CERTAIN WARRANTIES, LIKE THE IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. TO THE EXTENT PERMITTED BY LAW, WE EXCLUDE ALL WARRANTIES.

Liability for our Services

WHEN PERMITTED BY LAW, GOOGLE, AND GOOGLE'S SUPPLIERS AND DISTRIBUTORS, WILL NOT BE RESPONSIBLE FOR LOST PROFITS, REVENUES, OR DATA, FINANCIAL LOSSES OR INDIRECT, SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES.

TO THE EXTENT PERMITTED BY LAW, THE TOTAL LIABILITY OF GOOGLE, AND ITS SUPPLIERS AND DISTRIBUTORS, FOR ANY CLAIMS UNDER THESE TERMS, INCLUDING FOR ANY IMPLIED WARRANTIES, IS LIMITED TO THE AMOUNT YOU PAID US TO USE THE SERVICES (OR, IF WE CHOOSE, TO SUPPLYING YOU THE SERVICES AGAIN).

IN ALL CASES, GOOGLE, AND ITS SUPPLIERS AND DISTRIBUTORS, WILL NOT BE LIABLE FOR ANY LOSS OR DAMAGE THAT IS NOT REASONABLY FORESEEABLE.

Business uses of our Services

If you are using our Services on behalf of a business, that business accepts these terms. It will hold harmless and indemnify Google and its affiliates, officers, agents, and employees from any claim, suit or action arising from or related to the use of the Services or violation of these terms, including any liability or expense arising from claims, losses, damages, suits, judgments, litigation costs and attorneys' fees.

About these Terms

We may modify these terms or any additional terms that apply to a Service to, for example, reflect changes to the law or changes to our Services. You should look at the terms regularly. We'll post notice of modifications to these terms on this page. We'll post notice of modified additional terms in the applicable Service. Changes will not apply retroactively and will become effective no sooner than fourteen days after they are posted. However, changes addressing new functions for a Service or changes made for legal reasons will be

effective immediately. If you do not agree to the modified terms for a Service, you should discontinue your use of that Service.

If there is a conflict between these terms and the additional terms, the additional terms will control for that conflict.

These terms control the relationship between Google and you. They do not create any third party beneficiary rights.

If you do not comply with these terms, and we don't take action right away, this doesn't mean that we are giving up any rights that we may have (such as taking action in the future).

If it turns out that a particular term is not enforceable, this will not affect any other terms.

The laws of California, U.S.A., excluding California's conflict of laws rules, will apply to any disputes arising out of or relating to these terms or the Services. All claims arising out of or relating to these terms or the Services will be litigated exclusively in the federal or state courts of Santa Clara County, California, USA, and you and Google consent to personal jurisdiction in those courts.

For information about how to contact Google, please visit our [contact page](#).

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Welcome to the Google Privacy Policy

When you use Google services, you trust us with your information. This Privacy Policy is meant to help you understand what data we collect, why we collect it, and what we do with it. This is important; we hope you will take time to read it carefully. And remember, you can find controls to manage your information and protect your privacy and security at [My Account](#).

Privacy Policy

Last modified: March 25, 2016 ([view archived versions](#))

[Hide examples](#)

[Download PDF version](#)

There are many different ways you can use our services – to search for and share information, to communicate with other people or to create new content. When you share information with us, for example by creating a [Google Account](#), we can make those services even better – to show you more relevant search results and ads, to help you connect with people or to make sharing with others quicker and easier. As you use our services, we want you to be clear how we're using information and the ways in which you can protect your privacy.

Our Privacy Policy explains:

- What information we collect and why we collect it.
- How we use that information.
- The choices we offer, including how to access and update information.

We've tried to keep it as simple as possible, but if you're not familiar with terms like cookies, IP addresses, pixel tags and browsers, then read about these [key terms](#) first. Your privacy matters to Google so whether you are new to Google or a long-time user, please do take the time to get to know our practices – and if you have any questions

Information we collect

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We collect information to provide better services to all of our users – from figuring out basic stuff like which language you speak, to more complex things like which ads you'll find most useful, the people who matter most to you online, or which YouTube videos you might like.

We collect information in the following ways:

- **Information you give us.** For example, many of our services require you to sign up for a Google Account. When you do, we'll ask for [personal information](#), like your name, email address, telephone number or credit card to store with your account. If you want to take full advantage of the sharing features we offer, we might also ask you to create a publicly visible [Google Profile](#), which may include your name and photo.
- **Information we get from your use of our services.** We collect information about the services that you use and how you use them, like when you watch a video on YouTube, visit a website that uses our advertising services, or view and interact with our ads and content. This information includes:

- [Device information](#)

We collect device-specific information (such as your hardware model, operating system version, [unique device identifiers](#), and mobile network information including phone number). Google may associate your device identifiers or phone number with your Google Account.

- [Log information](#)

When you use our services or view content provided by Google, we automatically collect and store certain information in [server logs](#). This includes:

- details of how you used our service, such as your search queries.
- telephony log information like your phone number, calling-party number, forwarding numbers, time and date of calls, duration of calls, SMS routing information and types of calls.
- [Internet protocol address](#).
- device event information such as crashes, system activity, hardware settings, browser type, browser language, the date and time of your request and referral URL.
- cookies that may uniquely identify your browser or your Google

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- o Location information

When you use Google services, we may collect and process information about your actual location. We use various technologies to determine location, including IP address, GPS, and other sensors that may, for example, provide Google with information on nearby devices, Wi-Fi access points and cell towers.

- o Unique application numbers

Certain services include a unique application number. This number and information about your installation (for example, the operating system type and application version number) may be sent to Google when you install or uninstall that service or when that service periodically contacts our servers, such as for automatic updates.

- o Local storage

We may collect and store information (including personal information) locally on your device using mechanisms such as [browser web storage](#) (including HTML 5) and [application data caches](#).

- o Cookies and similar technologies

We and our partners use various technologies to collect and store information when you visit a Google service, and this may include using [cookies or similar technologies](#) to identify your browser or device. We also use these technologies to collect and store information when you interact with services we offer to our partners, such as [advertising services](#) or Google features that may appear on other sites. Our Google Analytics product helps businesses and site owners analyze the traffic to their websites and apps. When used in conjunction with our advertising services, such as those using the DoubleClick cookie, Google Analytics information is linked, by the Google Analytics customer or by Google, using Google technology, with information about visits to multiple sites.

Information we collect when you are signed in to Google, in addition to information we obtain about you from partners, may be associated with your Google Account. When information is associated with your Google Account, we treat it as personal information. For more information about how you can access, manage or delete information that is associated with your Google Account, visit the [Transparency and choice](#) section of this policy.

How we use information we collect

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We use the information we collect from all of our services to provide, maintain, protect and improve them, to develop new ones, and to protect Google and our users. We also use this information to offer you tailored content – like giving you more relevant search results and ads.

We may use the name you provide for your Google Profile across all of the services we offer that require a Google Account. In addition, we may replace past names associated with your Google Account so that you are represented consistently across all our services. If other users already have your email, or other information that identifies you, we may show them your publicly visible Google Profile information, such as your name and photo.

If you have a Google Account, we may display your Profile name, Profile photo, and actions you take on Google or on third-party applications connected to your Google Account (such as +1's, reviews you write and comments you post) in our services, including displaying in ads and other commercial contexts. We will respect the choices you make to limit sharing or visibility settings in your Google Account.

When you contact Google, we keep a record of your communication to help solve any issues you might be facing. We may use your email address to inform you about our services, such as letting you know about upcoming changes or improvements.

We use information collected from cookies and other technologies, like [pixel tags](#), to improve your user experience and the overall quality of our services. One of the products we use to do this on our own services is Google Analytics. For example, by saving your language preferences, we'll be able to have our services appear in the language you prefer. When showing you tailored ads, we will not associate an identifier from cookies or similar technologies with [sensitive categories](#), such as those based on race, religion, sexual orientation or health.

Our automated systems analyze your content (including emails) to provide you personally relevant product features, such as customized search results, tailored advertising, and spam and malware detection.

We may combine personal information from one service with information, including personal information, from other Google services – for example to make it easier to share things with people you know. We will not combine DoubleClick cookie information with personally identifiable information unless we have your opt-in consent.

We will ask for your consent before using information for a purpose other than those that are set out in this Privacy Policy.

Google processes personal information on our servers in many countries around the world.

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We may process your personal information on a server located outside the country where you live.

Transparency and choice

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People have different privacy concerns. Our goal is to be clear about what information we collect, so that you can make meaningful choices about how it is used. For example, you can:

- [Review and update your Google activity controls](#) to decide what types of data, such as videos you've watched on YouTube or past searches, you would like saved with your account when you use Google services. You can also visit these [controls](#) to manage whether certain activity is stored in a cookie or similar technology on your device when you use our services while signed-out of your account.
- [Review and control](#) certain types of information tied to your Google Account by using Google Dashboard.
- [View and edit](#) your preferences about the Google ads shown to you on Google and across the web, such as which categories might interest you, using Ads Settings. You can also opt out of certain Google advertising services here.
- [Adjust](#) how the Profile associated with your Google Account appears to others.
- [Control](#) who you share information with through your Google Account.
- [Take information](#) associated with your Google Account out of many of our services.
- [Choose](#) whether your Profile name and Profile photo appear in shared endorsements that appear in ads.

You may also set your browser to block all cookies, including cookies associated with our services, or to indicate when a cookie is being set by us. However, it's important to remember that many of our services may not function properly if your cookies are disabled. For example, we may not remember your language preferences.

Information you share

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Many of our services let you share information with others. Remember that when you share information publicly, it may be indexable by search engines, including Google. Our services provide you with different options on sharing and removing your content.

Accessing and updating your personal information

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Whenever you use our services, we aim to provide you with access to your personal information. If that information is wrong, we strive to give you ways to update it quickly or to delete it – unless we have to keep that information for legitimate business or legal purposes. When updating your personal information, we may ask you to verify your identity before we can act on your request.

We may reject requests that are unreasonably repetitive, require disproportionate technical effort (for example, developing a new system or fundamentally changing an existing practice), risk the privacy of others, or would be extremely impractical (for instance, requests concerning information residing on backup systems).

Where we can provide information access and correction, we will do so for free, except where it would require a disproportionate effort. We aim to maintain our services in a manner that protects information from accidental or malicious destruction. Because of this, after you delete information from our services, we may not immediately delete residual copies from our active servers and may not remove information from our backup systems.

Information we share

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We do not share personal information with companies, organizations and individuals outside of Google unless one of the following circumstances applies:

- **With your consent**

We will share personal information with companies, organizations or individuals outside of Google when we have your consent to do so. We require opt-in consent for the sharing of any [sensitive personal information](#).

- **With domain administrators**

If your Google Account is managed for you by a [domain administrator](#) (for example, for Google Apps users) then your domain administrator and resellers who provide user support to your organization will have access to your Google Account information (including your email and other data). Your domain administrator may be able to:

- view statistics regarding your account, like statistics regarding applications you install.
- change your account password.
- suspend or terminate your account access.
- access or retain information stored as part of your account.
- receive your account information in order to satisfy applicable law, regulation, legal process or enforceable governmental request.

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- restrict your ability to delete or edit information or privacy settings.

Please refer to your domain administrator's privacy policy for more information.

- For external processing

We provide personal information to our [affiliates](#) or other trusted businesses or persons to process it for us, based on our instructions and in compliance with our Privacy Policy and any other appropriate confidentiality and security measures.

- For legal reasons

We will share personal information with companies, organizations or individuals outside of Google if we have a good-faith belief that access, use, preservation or disclosure of the information is reasonably necessary to:

- meet any applicable law, regulation, legal process or enforceable governmental request.
- enforce applicable Terms of Service, including investigation of potential violations.
- detect, prevent, or otherwise address fraud, security or technical issues.
- protect against harm to the rights, property or safety of Google, our users or the public as required or permitted by law.

We may share [non-personally identifiable information](#) publicly and with our partners – like publishers, advertisers or connected sites. For example, we may share information publicly to show trends about the general use of our services.

If Google is involved in a merger, acquisition or asset sale, we will continue to ensure the confidentiality of any personal information and give affected users notice before personal information is transferred or becomes subject to a different privacy policy.

Information security

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We work hard to protect Google and our users from unauthorized access to or unauthorized alteration, disclosure or destruction of information we hold. In particular:

- We encrypt many of our services [using SSL](#).
- We offer you [two step verification](#) when you access your Google Account, and a [Safe Browsing feature](#) in Google Chrome.
- We review our information collection, storage and processing practices, including physical security measures, to guard against unauthorized access to systems.
- We restrict access to personal information to Google employees, contractors and agents who need to know that information in order to process it for us, and who are

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subject to strict contractual confidentiality obligations and may be disciplined or terminated if they fail to meet these obligations.

When this Privacy Policy applies

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Our Privacy Policy applies to all of the services offered by Google Inc. and its affiliates, including YouTube, services Google provides on Android devices, and services offered on other sites (such as our advertising services), but excludes services that have separate privacy policies that do not incorporate this Privacy Policy.

Our Privacy Policy does not apply to services offered by other companies or individuals, including products or sites that may be displayed to you in search results, sites that may include Google services, or other sites linked from our services. Our Privacy Policy does not cover the information practices of other companies and organizations who advertise our services, and who may use cookies, pixel tags and other technologies to serve and offer relevant ads.

Compliance and cooperation with regulatory authorities [Back to top](#)

We regularly review our compliance with our Privacy Policy. We also adhere to several [self regulatory frameworks](#). When we receive formal written complaints, we will contact the person who made the complaint to follow up. We work with the appropriate regulatory authorities, including local data protection authorities, to resolve any complaints regarding the transfer of personal data that we cannot resolve with our users directly.

Changes

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Our Privacy Policy may change from time to time. We will not reduce your rights under this Privacy Policy without your explicit consent. We will post any privacy policy changes on this page and, if the changes are significant, we will provide a more prominent notice (including, for certain services, email notification of privacy policy changes). We will also keep prior versions of this Privacy Policy in an archive for your review.

Specific product practices

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The following notices explain specific privacy practices with respect to certain Google

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products and services that you may use:

- [Chrome and Chrome OS](#)
- [Play Books](#)
- [Payments](#)
- [Fiber](#)
- [Project Fi](#)
- [Google Apps for Education](#)

For more information about some of our most popular services, you can visit the [Google Product Privacy Guide](#).

Other useful privacy and security related materials

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Further useful privacy and security related materials can be found through Google's [policies and principles pages](#), including:

- Information about our [technologies and principles](#), which includes, among other things, more information on
 - [how Google uses cookies](#).
 - technologies we use for [advertising](#).
 - how we [recognize patterns like faces](#).
- A [page](#) that explains what data is shared with Google when you visit websites that use our advertising, analytics and social products.
- The [Privacy Checkup](#) tool, which makes it easy to review your key privacy settings.
- Google's [safety center](#), which provides information on how to stay safe and secure online.

We keep your personal information private and safe — and put you in control.

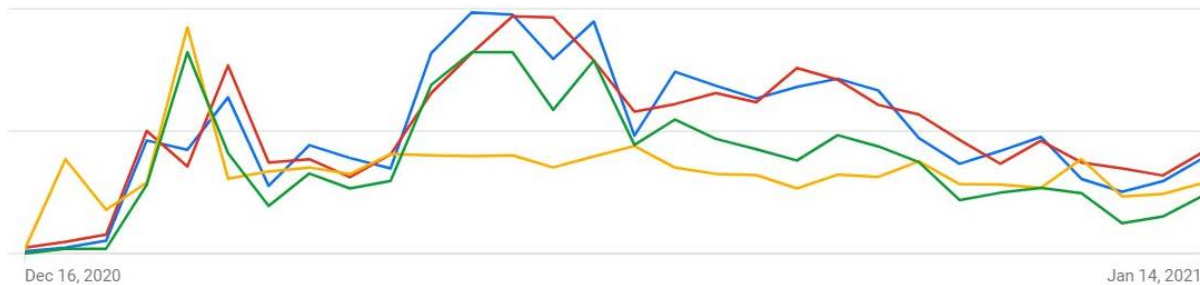
[Get answers to common questions about privacy and security.](#)

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Google Ads Performance: December 16, 2020 to January 14 20201

In the 30 days that the A.A.W.S. Google Ads have been live, we have seen the following performance statistics for the overall account. The total Grant spend for this period was \$4,560.46.

Clicks ▼	Impressions ▼	Avg. CPC ▼	Cost ▼
3.19K	24.5K	\$1.43	\$4.56K



The cost and average CPC (cost per click) are based on the keyword bidding system. The recommended bid setting for Google Grants automatically sets keywords to a \$2 maximum bid limit. If we desire to use higher bidding terms in the future, we have the option to set the bid manually. In the early days of this endeavor, we are sticking to the recommended setting while we gather data for future review.

Within the account are 2 ad groups. Find a Meeting continues to see far greater attention and engagement than Get Help.

Ad groups

	Cost ▼	Clicks ▼	CTR ▼
FindMtg	\$3,770.46	2,573	14.11%
GetHelp	\$790.00	613	9.81%

All links in the ads lead back to aa.org.

For "FindMtg", users click through to either AA Near You https://www.aa.org/pages/en_US/find-aa-resources or Information about Meeting Guide https://www.aa.org/pages/en_US/meeting-guide.

For "GetHelp" users click through to Is A.A. for You https://www.aa.org/pages/en_US/is-aa-for-you or What is A.A. https://www.aa.org/pages/en_US/what-is-aa.

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In the below grid, we can see how each ad is performing.

Ad ↓	Ad group	Status	Ad type	Clicks	Impr.	CTR	Avg. CPC	Cost
Want to stop drinking? See if A.A. is right for you. www.aa.org/GetHelp Information about the program of Alcoholics Anonymous	GetHelp	Approved	Expanded text ad	314	2,751	11.41%	\$1.14	\$357.12
Looking for an A.A. meeting? Meeting Guide can help. www.aa.org/MeetingGuide Learn about the app that helps you find Alcoholics Anonymous meeting information	FindMtg	Approved	Expanded text ad	373	2,375	15.71%	\$1.53	\$571.02
Looking for an A.A. meeting? Contact A.A. near you. www.aa.org/AANearYou A list of local Alcoholics Anonymous by state, province and country	FindMtg	Approved	Expanded text ad	1,291	10,633	12.14%	\$1.51	\$1,952.78
Is drinking causing problems? Maybe A.A. can help. www.aa.org/GetHelp A brief look at the program of Alcoholics Anonymous	GetHelp	Approved	Expanded text ad	34	512	6.64%	\$1.07	\$36.55
Find an A.A. meeting near you. Meeting Guide can help. www.aa.org/MeetingGuide Learn about the app that helps you find Alcoholics Anonymous Meeting information.	FindMtg	Approved	Expanded text ad	909	5,221	17.41%	\$1.37	\$1,246.66
Can't stop drinking? Maybe A.A. can help you. www.aa.org/GetHelp Information about the program of Alcoholics Anonymous	GetHelp	Approved	Expanded text ad	265	2,983	8.88%	\$1.50	\$396.33
Total: All but removed ads ⓘ				3,186	24,475	13.02%	\$1.43	\$4,560.46

The highest click through rates continue to relate to finding a meeting.

Below is a selection of our 15 highest performing keywords.

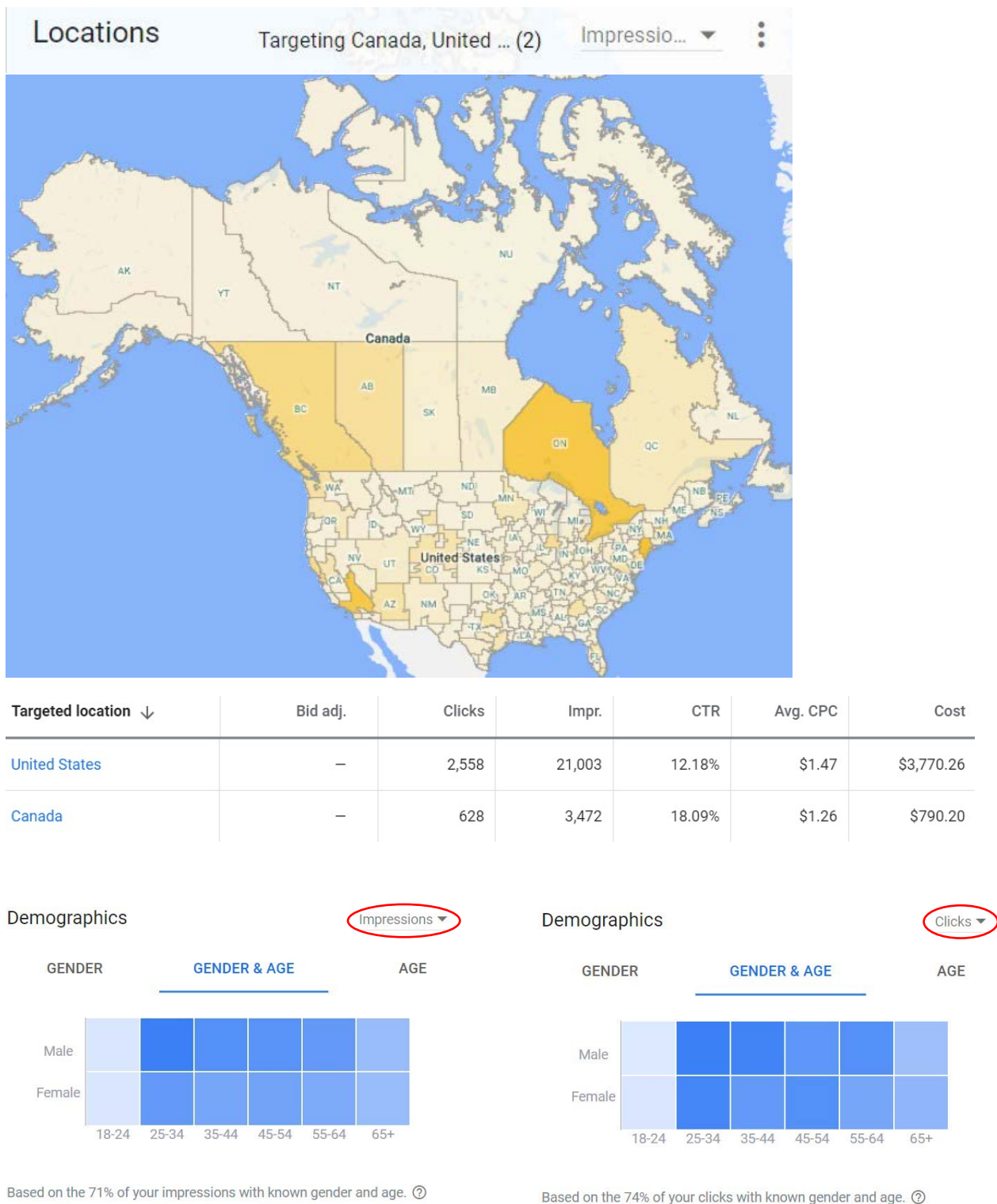
Keywords + ADD KEYWORD ⋮

	Cost	Clicks	CTR
● AA meetings	\$1,471.21	1,029	13.68%
● Alcoholics Anonymous	\$778.53	611	10.40%
● online aa meetings	\$544.94	406	14.38%
● AA meeting finder	\$424.84	277	15.04%
● Find AA meeting	\$306.76	184	14.31%
● AA meeting directory	\$260.24	162	13.53%
● AA meeting list	\$215.38	134	13.12%
● Meeting Guide	\$181.53	151	14.09%
● Meeting Guide app	\$174.79	124	16.78%
✖ Alcoholics Anonymous meeting	\$169.97	90	16.67%
● AA meeting schedule	\$18.79	13	8.90%
● Problem with alcohol	\$9.78	1	2.94%
● AA app	\$1.90	2	6.06%
● Alcohol abuse	\$1.69	1	0.72%
● "AA meeting near"	\$0.11	1	12.50%

Since the last report, covering Sept 9 to Oct 6, 2020, a few low performing keywords were removed. "Online aa meetings" was added. "Alcoholics Anonymous meeting" was removed after a recommendation from the platform as it was overly similar to one of our other terms. In the future, we will test putting it back in as it had decent engagement.

The keywords with yellow triangles have been identified by the platform as having a low-quality score. Some of them will be the next keywords removed to test performance of new terms.

We also collect basic demographic data to better understand who is looking for information.



Our ads are reaching a wide range of ages and genders. Men between 25-34 continue to be the top group interacting with our ads.

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