



# Finance Workshop

Presented by:

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Chair

Area 14

# Agenda

1. Contributions - money in
2. Opening a bank account
3. Safeguarding the money
4. Disbursements - money out
5. Prudent reserve
6. Treasurer reports
7. Budgeting



# Money and Spirituality

- Tradition Seven (Long Form)
- Self-support begins with me
- The group is the ultimate authority
- Contributions from within
- Carrying the message



# Contributions

The traditional means of assuring AA is self-supporting is through voluntary contributions. At the Group level we see this in passing the basket. At the District level, we see this from contributions from the groups and members. At the Area level, we see this from contributions from the members, groups and the district. This continues through each level all the way to GSO. The Treasurer's responsibility is to collect, count, and keep a record of those funds. Usually, the funds are kept in a bank account.

# Opening a Bank Account

## Requirements for most bank accounts:

To open a bank account, the bank will need to have

- 1) federal ID number
- 2) personal ID of the signors
- 3) Meeting minutes or that outlines who has the authority to manage the account and/or be a signor (recommend two or more signors)

\* The bank account is generally set up as a 'club' or 'unincorporated non-business association account'

\* If the bank asks for documents like Bylaws or articles of organization, its important to explain that the entity is a local meeting only (if a group) or service committee (if a district) that is an unincorporated non-business entity.

\* If one bank is unfamiliar with the structure of unincorporated non-business associations like AA, you may need to try a different bank

## How to get a Federal ID Number

A federal tax ID number can be obtained for free directly from the IRS by applying online or by mail using the Form SS-4

- 1) Online at <https://sa.www4.irs.gov/appl/applyein/legalStructure>
  - 2) Download Form SS-4 at: <https://www.irs.gov/pub/irs-pdf/fss4.pdf>
- For Entity Type:
    - Choose "View additional types"
    - Select "Other non-profit/ tax exempt organizations - or - "Community or Volunteer Group"
    - Select "Banking purposes" as the reason for applying
    - A name and SS# is required to be listed as the "responsible party". This is ONLY for setting up the EIN number.



**Application for Employer Identification Number**  
(For use by employers, corporations, partnerships, trusts, estates, churches,  
government agencies, Indian tribal entities, certain individuals, and others.)  
See separate instructions for each line. Keep a copy for your records.  
Go to [www.irs.gov/FormSS4](http://www.irs.gov/FormSS4) for instructions and the latest information.

OMB No. 1545-0003

EIN

Type or print clearly.	1 Legal name of entity (or individual) for whom the EIN is being requested		
	2 Trade name of business (if different from name on line 1)		3 Executor, administrator, trustee, "care of" name
	4a Mailing address (room, apt., suite no. and street, or P.O. box)		5a Street address (if different) (Don't enter a P.O. box.)
	4b City, state, and ZIP code (if foreign, see instructions)		5b City, state, and ZIP code (if foreign, see instructions)
	6 County and state where principal business is located		
	7a Name of responsible party		7b SSN, ITIN, or EIN
	8a Is this application for a limited liability company (LLC) (or a foreign equivalent)? <input type="checkbox"/> Yes <input type="checkbox"/> No		
	8b If 8a is "Yes," enter the number of LLC members		
	8c If 8a is "Yes," was the LLC organized in the United States? <input type="checkbox"/> Yes <input type="checkbox"/> No		
	9a Type of entity (check only one box). <b>Caution:</b> If 8a is "Yes," see the instructions for the correct box to check.		
<input type="checkbox"/> Sole proprietor (SSN) <input type="checkbox"/> Estate (SSN of decedent)			
<input type="checkbox"/> Partnership <input type="checkbox"/> Plan administrator (TIN)			
<input type="checkbox"/> Corporation (enter form number to be filed) <input type="checkbox"/> Trust (TIN of grantor)			
<input type="checkbox"/> Personal service corporation <input type="checkbox"/> Military/National Guard <input type="checkbox"/> State/local government			
<input type="checkbox"/> Church or church-controlled organization <input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government			
<input type="checkbox"/> Other nonprofit organization (specify) <input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises			
<input type="checkbox"/> Other (specify) <input type="checkbox"/> Group Exemption Number (GEN) if any			
9b If a corporation, name the state or foreign country (if applicable) where incorporated			
State Foreign country			
10 Reason for applying (check only one box)			
<input type="checkbox"/> Started new business (specify type) <input type="checkbox"/> Banking purpose (specify purpose)			
<input type="checkbox"/> Hired employees (Check the box and see line 13.) <input type="checkbox"/> Changed type of organization (specify new type)			
<input type="checkbox"/> Compliance with IRS withholding regulations <input type="checkbox"/> Purchased going business			
<input type="checkbox"/> Other (specify) <input type="checkbox"/> Created a trust (specify type)			
<input type="checkbox"/> Created a pension plan (specify type)			
11 Date business started or acquired (month, day, year). See instructions.			
12 Closing month of accounting year			
13 Highest number of employees expected in the next 12 months (enter -0- if none). If no employees expected, skip line 14.			
Agricultural Household Other			
14 If you expect your employment tax liability to be \$1,000 or less in a full calendar year and want to file Form 944 annually instead of Forms 941 quarterly, check here. (Your employment tax liability will generally be \$1,000 or less if you expect to pay \$5,000 or less, \$5,538 or less if you're in a U.S. territory, in total wages.) If you don't check this box, you must file Form 941 for every quarter. <input type="checkbox"/>			
15 First date wages or annuities were paid (month, day, year). <b>Note:</b> If applicant is a withholding agent, enter date income will first be paid to nonresident alien (month, day, year)			
16 Check one box that best describes the principal activity of your business.			
<input type="checkbox"/> Construction <input type="checkbox"/> Rental & leasing <input type="checkbox"/> Transportation & warehousing <input type="checkbox"/> Health care & social assistance <input type="checkbox"/> Wholesale—agent/broker			
<input type="checkbox"/> Real estate <input type="checkbox"/> Manufacturing <input type="checkbox"/> Finance & insurance <input type="checkbox"/> Accommodation & food service <input type="checkbox"/> Wholesale—other <input type="checkbox"/> Retail			
<input type="checkbox"/> Other (specify)			
17 Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided.			
18 Has the applicant entity shown on line 1 ever applied for and received an EIN? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If "Yes," write previous EIN here			
Third Party Designee	Completes this section only if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.		
	Designee's name	Designee's telephone number (include area code)	
Third Party Designee	Address and ZIP code	Designee's fax number (include area code)	
	Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.		
Name and title (type or print clearly)		Applicant's telephone number (include area code)	
Signature		Applicant's fax number (include area code)	
Date			

# Safeguarding the money

## **Bank account**

Many Groups and most Districts keep their funds in a bank account, often requiring at least two signatures on all checks. This safeguards the funds and keeps them separate from any personal funds. It also provides a record of the transactions in the bank account and each month on the bank statement.

## **Internal Controls**

- It is a good idea to have the Treasurer bring the bank statement to the business meeting to be reviewed by any member.
- It is a good idea to have another trusted servant review the bank statement each month to review the transactions in case there are any unusual charges or missing deposits.
- It is a good idea to have two signatures on each check ensuring that two people see and agree with any disbursements made from the account.
- Many groups and districts also vote on any disbursements before any unusual disbursements are permitted to be made.

# Disbursements

## Expenses

- The Treasurer is usually the person responsible for paying the routine bills and for keeping accurate records of the funds. Expenses for the basic needs of the Group or District may include things like rent, storage, literature, refreshments, etc..
- Many Groups and Districts provide financial support for their GSR to attend the Area Assembly and to attend other service functions.

## Disbursements for financial support of the AA fellowship as a whole

- Once the basic needs are met and money is set aside for any Prudent Reserve, the Group or District or Entity can participate in the financial support of the fellowship as a whole by sending money to various AA service entities: 1) the District, 2) the local Intergroup or central office, 3) the Area, and 4) the General Service Board.
- Many entities send these contributions after the basic needs are met and make these contributions monthly, quarterly, semi-annually or annually.



# Contributions to the AA Service Structure

- Footing the bill
- Vital AA services
- Group autonomy
- Why contributions matter
- Recommended distribution

# Prudent Reserve

## **Holding money in reserve**

Most AA entities try to hold a certain amount of money in reserves. There is no predetermined amount for such a reserve, but the amount, type and scope can be determined by a Group Conscience or the entity's Structure and Guidelines.

Keep in mind, any accumulation of AA funds for unspecified purposes beyond a prudent level may divert the entity's attention from carrying the message to the alcoholic that still suffers.

## **Examples of Prudent Reserve**

- A group may choose to reserve \$XX for their GSR to attend the quarterly Area Assembly Conference
- A group may choose to keep 1-3 months of operating expenses or at least rent expense
- Area 14 tries to keep 9-12 months operating expenses in the Prudent Reserve account

# Treasurer Reports

Most AA entities (Groups, Districts, Area, etc..) request a Treasurer's Report and all relevant documentation at monthly or regularly scheduled business meetings. This ensures all members stay informed and help to make group conscience decisions about how funds should be spent.



District 16B Treasurer's Report  
District Use of Group Contributions  
Athens Area Commencement Center  
1175 Mitchell Bridge Road Athens, GA 30606

July 1 - July 31, 2017

Bank Statement		Budget Remaining
Beginning Balance	\$ 5,248.05	
Deposits		
Meeting Collection	21.00	
Group Contributions		
New Freedom	31.94	
AYP	74.00	
Lumpkin Street Noontimers	49.99	
Turning Point	25.00	
Happy Hour	22.03	
Alumni	19.58	
Total Deposits	\$ 243.54	
Withdrawals		
Trusted Servants		1,779.21
Rent	20.00	
Storage	78.00	
Printing	12.31	
PI/CPC		904.18
Pamphlets	60.15	
Archives		663.55
Communications		320.65
Corrections		703.40
Grapevine		447.34
Macon	143.86	
Treatment/Special Needs		666.20
Activities		748.54
Total Withdrawals	\$ 314.32	
Bank Statement		
Ending Balance	\$ 5,177.27	54% (6.5 mo.) of 2016 expenses
2017 Prudent Reserve Amount	\$ 7,195.51	

# Sample District Treasurer Report

- A Treasurer Report at the Group or District Level might include reports such as
- Beginning Bank Balance
  - Additions - Contributions
  - Subtractions - General expenses
  - Subtractions - Special expenses
- Ending Bank Balance
  - Less: Prudent Reserve
- Available Bank Balance (for contributions to AA service entities (District, Area, GSO, etc.)

# Budget – at Group and District Levels

While there is no single "official" AA budget template (groups are autonomous), a typical **sample AA group budget report** includes income from 7th Tradition contributions and expenses such as rent, supplies, literature, and donations to service entities. The report helps the group maintain a "prudent reserve" and make informed decisions about contributions to the broader AA service structure (Intergroup, Area, GSO).

Category	Typical Items
Income	7th Tradition Contributions (basket/digital)
Expenses	Rent (meeting space)
	Meeting Supplies (coffee, paper products, etc..)
	AA Literature purchases
	Insurance (if required by venue)
	Administrative/Technology expenses (website, Zoom, bank fees, etc..)
Donations	Contributions to service entities (Intergroup/Central Office, District, Area, GSO)
Financial Summary	Starting Balance, Ending Balance, Prudent Reserve amount

# Creating a Budget

## Steps for Creating a Budget

- 1) **Determine the Accounting Period:** Decide if the report will be weekly, monthly, quarterly, or annually.
- 2) **Record Transactions:** Accurately record all income and expenses, using receipts and bank statements for documentation.
- 3) **Use a Template:** Utilize a simple spreadsheet (like Excel) or a [treasurer's notebook template](#) to organize the data.
- 4) **Calculate Totals and Balances:** Sum all income and expenses and calculate the ending balance.
- 5) **Compare to Budget/Prior Periods:** Compare the actual figures to the group's planned budget or prior period performance to analyze variances and understand financial health.
- 6) **Present the Report:** The treasurer presents the report to the group, either orally or in writing, to ensure transparency and allow for group conscience decisions on fund allocation.



# Budget creation template

- 1) Create columns using the actual figures from the prior years (only two years here is presented but using 3-4 years is best)
- 2) Include a column with the prior year budget unless this is the first year creating a budget
- 3) Analyze each line item for increases or decreases expected for the upcoming year and create a Proposed Budget column
- 4) Present the Proposed Budget at the business meeting and make any revisions as needed
- 5) Have the service entity vote on the final Approved Budget

North Florida Area Conference 2026 Proposed Budget				
	ACTUAL Jan - Dec 23	ACTUAL Jan - Dec 24	BUDGET 2025	2026 Proposed Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4100 - Contributions				
4110 - Contributions - Group	87,549.92	49,915.98	70,000.00	73,500.00
4111 - E-Contributions	15,071.89	15,842.48	16,000.00	16,800.00
Total 4100 - Contributions	82,621.81	65,558.46	86,000.00	90,300.00
4200 - Assembly Income				
4210 - Seventh Tradition	2,297.81	2,184.04	2,400.00	3,649.50
4220 - Friday Night Coffee Collecti	315.37	293.00	330.00	348.50
Total 4200 - Assembly Income	2,613.18	2,477.04	2,730.00	4,198.00
4500 - Literature/Merchandise Sales				
4525 - AAWS	248.00	294.80	280.00	273.00
4550 - Grapevine Merchandise	440.00	225.90	500.00	525.00
4551 - Grapevine Subscriptions	1,741.00	1,258.00	1,800.00	1,890.00
Total 4500 - Literature/Merchandise	2,429.00	1,778.50	2,580.00	2,688.00
4810 - Prior Year(s) Surplus	-	-	3,389.02	-
4820 - Prior Yr(s) Prudent Reserves	-	-	8,056.98	14,838.00
Total Income	87,863.99	69,814.00	102,716.00	112,026.00
Gross Profit	87,863.99	69,814.00	102,716.00	112,026.00
<b>Expense</b>				
6100 - Delegate				
6110 - Duplication	118.75	161.00	120.00	200.00
6120 - Postage	7.60	34.24	10.00	10.00
6130 - Supplies	592.15	123.13	600.00	800.00
6150 - Literature	288.50	87.09	275.00	900.00
6160 - Travel				
6170 - SERF - Even Year	-	532.59	-	1,500.00
6171 - General Service Confere	8,500.00	8,900.00	10,250.00	10,500.00
6172 - Delegate Get-Together	1,341.81	-	1,000.00	1,100.00
6174 - SERF Delegate Elect - Ev	19.66	1,502.19	-	1,600.00
6175 - Florida State Convention	968.66	1,004.18	-	1,000.00
6176 - Pre-Conf Workshops	1,131.26	1,850.47	1,200.00	1,000.00
6177 - Post-Conf Workshops	752.17	1,992.24	800.00	1,500.00
6178 - SSAASA - Odd Year	263.24	-	1,250.00	-
Total 6160 - Travel	12,866.80	15,781.67	14,500.00	18,100.00
6190 - General Expenses	1,487.01	579.72	2,000.00	2,000.00
6191 - International Convention - t	-	-	2,400.00	-
Total 6100 - Delegate	15,338.81	16,766.85	19,905.00	20,100.00
6200 - Alternate Delegate				
6210 - Duplication	12.00	-	10.00	10.00
6220 - Postage	-	-	5.00	5.00
6230 - Supplies	104.18	28.61	150.00	150.00
6240 - Literature	-	11.75	10.00	10.00
6245 - FL State Conv. Advisory Co	-	104.00	500.00	200.00
6246 - NFAC FL State Oversight C	-	-	200.00	1,200.00
6255 - Travel				
6250 - Travel -	305.70	367.00	300.00	600.00
6272 - Delegates Get-Together	788.19	786.20	800.00	1,000.00
6275 - Florida State Convention	863.18	828.90	-	850.00
6277 - SSAASA -Odd Year	503.66	-	1,250.00	-
Total 6255 - Travel	2,260.73	1,982.10	2,350.00	2,450.00
Total 6200 - Alternate Delegate	2,396.91	2,124.46	3,225.00	4,025.00
6300 - Chair				
6310 - Duplication	153.81	95.10	200.00	200.00
6330 - Supplies	19.65	-	50.00	50.00
6340 - Literature	8.00	-	10.00	10.00
6350 - Ad-Hoc Committee	-	-	-	10.00
6360 - Travel	30.00	-	50.00	50.00
6374 - SERF Chairman Elect - Eve	-	-	-	600.00

# Ideas in Action

- Inflation
- Be informed – inform others
- Birthday Fund
- District planning & workshops
- Experience as a trusted servant



**Questions?**



**Thank you**

