

FINANCE COMMITTEE REPORT – JANUARY 2021

During the month of January, the members of the Finance Committee met four times and worked on the following projects and tasks:

1. The Committee was joined by O&S to review the financials for December. The financials were accepted by the committee and the treasurer posted them to the [acawso.org website](http://acawso.org) along with a written Treasurer's Report. – **Completed.**
2. The Finance Committee has been working on the 2022 Budget for WSO. This process commenced several months ago with Committees submitting their Budget needs. This information has been incorporated in the overall WSO Budget, which includes revenue projections on literature sales, 7th Tradition, as well as increasing expenses and financial commitments. Added to the Budget is a section on Capital Expenses. The budget is scheduled to be presented to the Board and finalized in February. – **In Process.**
3. The cost to produce printed literature has increased, as our suppliers are experiencing increased costs of materials and labor. The increase for some publications is as high as 30%. WSO overhead to store and maintain inventory has increased. Publication consulting costs have increased, as well. To counterbalance these increases would be to increase the prices on printed literature. The Committee performed several analyses on the affect that increases would have on the financial health of WSO. – **In process.**
4. The committee is involved in active discussion regarding our Bill Payment and Approval Procedures, from both audit and efficiency standpoints. We need to review the OPPM for improvement in clarity of the language, and in lieu of better business practices. This would include, but not be limited to, looking at the party or parties involved in the approval, and the threshold amounts. It would also encompass the reevaluation of the process, so that a General Manager or CEO would have the tools available to make proper expenditures within their authority, as well as implementing software that will streamline the process. – **In Process.**
5. The Finance Committee has been working with the IT chair to update the 7th Tradition page to include a "Planned Giving" option, and a separate page for the International Literature Scholarship Fund. The Finance Committee is looking at improving the overall appearance of the page. The committee is talking about how we communicate with potential planned giving donors and maintain information in a data base. –**In Process.**
6. As WSO has been growing, there is a need for upgrading our current General Ledger system, as well as implementing an Inventory Management system. The Finance Committee, together with the IT Chair and our outside CPA firm, is researching and vetting various viable software options. –**In Process.**
7. The Finance Committee is evaluating its compliance with VAT regulations for our overseas sales. Currently we are reporting and paying VAT on our Amazon sales through a tax firm assigned by Amazon. We are looking into a means of including our Shopify sales into the Amazon reporting process. We have been discussing some options with our outside CPA firm. –**In Process.**

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8. Other business to be added to Finance Committee agenda and projects, as priorities unfold:

- Treasurer Transition. Board members and the GM are working on changing signors and rights in the banking function.
- Tax Advisory Firm. Assistance with tax matters for international transactions and business structure. We need 3 quotes to bring to the Board.
- Prudent Reserve Policy. A Prudent Reserve Policy is in process. The committee has looked at comparative information used by other fellowships and not-for-profit organizations and is discussing what is reasonable and appropriated for WSO. The committee is in process of determining what is reasonable and appropriate for WSO by looking at the 2022 Budgeted expenditures and cash requirements. Other considerations include developing policies for implementation.
- Accounting Manual. Evaluate, update, and compile, as necessary. Special attention is being made to the payment approval processes. An item not previously addressed, would be a narrative regarding written procedures for processing orders that are paid by members mailing in cash or checks.

Anyone with finance, bookkeeping, or an interest in learning more about the Finance Committee is welcome to contact me about joining. You do not have to be a CPA or even accounting professional to participate. Please email me at treasurer@adultchildren.org or send a message on Slack.

In service,

Fredrik H., Sweden - Chair

Lucia S., FL - Vice Chair

Brad H., OK – Member at large