

FINANCE COMMITTEE REPORT – MARCH 2022

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

1. The Committee was joined by O&S to review the financials for February. 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 cost to produce printed literature has increased, as our suppliers are experiencing increased costs of materials and labor. The increase for publications is between 20% -89%. WSO overhead to store and maintain inventory has increased. To offset these increases, we need to increase selling prices on printed literature. The Committee performed several analyses on the effect that increases would have on the financial health of WSO.

With recommendation from the Board, it was decided to invite the fellowship for feedback and recommendations. The March Traveler included a survey. When the committee compiled this data, it was noted that 64% of the responses showed they were in favor of immediate increases, and 31% were in favor of incremental increases. When asked about updating the price of the BRB, 80% of the responses indicated it should sell for \$20 or more, while 29% thought that it should sell for \$25 or more.

The committee submitted its results to the board and proposed a motion to increase prices on WSO books by title. An additional motion was drafted to address prices for dissimilar economies. – **Completed.**

3. Effective June 30th, the state of California requires all businesses with 5 or more employees to offer some type of retirement benefit plan. We are evaluating plans based on the benefit it will have to our employees, cost of the benefits, and cost of administration. We have met with ADP, who offers a Simple IRA plan, for a reasonable admin cost, and requires employer matching. We are looking into a 403b plan with an investment company, that does not require employer matching, as well as the CalSavers plan offered by the state. – **In Process.**
4. As WSO has grown, there is a need to upgrade our current General Ledger system, as well as implement 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. Committee members are engaged in additional meetings to review software demos and continue to discuss and evaluate what would work for WSO's needs now, and long term. –**In Process.**
5. 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 in the development 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 re-evaluation 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.**
6. 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.**

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7. The committee is working on establishing Prudent Reserve Policies. Some of the matters addressed would include the purpose of the prudent reserve, the use of the funds, the appropriate amount needed, what circumstances would determine use of the funds – **In Process.**
8. The committee is working on a 3-year Forecast as tool to project long term goals and forecast planning for the operations of organization. **-In Process.**

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

- Banking Rights. 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. In addition, the committee is evaluating WSO's compliance with VAT regulations for our overseas sales made through our website. We are looking into a means of including our Shopify sales into the Amazon reporting process and discussing some options with our outside CPA firm.
- Accounting Manual. Evaluate, update, and compile, as necessary. Special attention is being made to the payment approval processes, as bill.com is in process of implementation. 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@adulthood.org or send a message on Slack.

In service,

Fredrik H., Sweden - Chair

Lucia S., FL - Vice Chair

Bill D., CA – General Manager

Brad H., OK – Member at large