FINANCE COMMITTEE REPORT – August 2026

During August 2026, the Finance Committee met three times and continued its work to strengthen ACA WSO's financial oversight, review literature sales trends, complete the 2026 revised budget, and advance financial policies that support responsible stewardship of Fellowship resources.

Monthly Financial Reports

Jonathan Bryson of JB Certified Accounting Services (JBCAS), ACA WSO's accounting firm, joined the Committee to review the July 2026 financial statements. The Committee reviewed current financial activity, discussed financial reporting processes, and continued monitoring the organization's financial position and operating results. The Treasurer continued providing monthly financial reports to the Fellowship on our website.

Seventh Tradition Support Resource

The Committee reviewed a proposed website resource brought by the IT Manager to help ACA groups strengthen their Seventh Tradition practices. The website explains why contributions are important and provides practical ideas for in-person and virtual meetings, including use of a physical basket, QR codes, a clear contribution request, regular Treasurer reports, development of a prudent reserve, and group-conscience decisions about sharing surplus funds through the ACA service structure.

The Committee recommended keeping the language concise and accessible, adding instructions for creating a QR code, and linking to guidance on conducting a group conscience.

2026 Revised Budget

The Finance Committee devoted substantial time to the 2026 reforecast. The initial model projected a year-end deficit of approximately $124,000. The Committee reviewed sales by channel, gross margins, first-half actual results, second-half assumptions, contribution trends, contractor and professional-service costs, the contingency provision, and potential new or increased revenue sources.

The Finance Committee completed the revised budget and presented it to the Board of Trustees. The approved revised budget reflects updated literature sales projections, operating-cost adjustments, updated pricing and shipping assumptions, and other changes developed in response to actual results through the year.

- Total revenue: $2,273,511
- Cost of goods sold: $924,164
- Gross profit: $1,349,347

- Operating expenses: $1,361,436
- Operating loss: approximately $12,090
- Projected net loss: approximately $20,478

The revised budget does not eliminate the need for continued monitoring. A one-page version is being prepared for review before posting on the ACA WSO website.

Revenue and Cost Measures Reviewed

As part of the revised-budget process, the Committee evaluated several measures intended to improve projected year-end results while supporting essential ACA services:

- Updated contribution projections based on normalized year-to-date trends.
- Additional shipping-and-handling adjustments by order category. The Committee reviewed order volume and comparisons with Amazon pricing before approving the adjustment for inclusion in the revised forecast.
- Restoring paid audio downloads and developing annual audio-licensing revenue to support the production and maintenance of recordings.
- Reviewing contractor and other operating costs, including alignments or reallocations where work had changed, while retaining essential publishing, translation, technology, communications, and warehouse support.
- Maintaining an appropriate Contingency Fund amount for the remainder of 2026 to support unanticipated operating needs.

The Committee discussed strengthening Seventh Tradition support and continuing to align available resources with WSO's service priorities.

Contingency Fund Policy

The Committee substantially completed its review of the draft Contingency Fund Policy. The policy would establish an annual operating-budget buffer for qualifying needs arising during the budget year. It would remain separate from the Board-designated Prudent Reserve.

The draft provides that the Board would establish the annual amount through the budget process, based on a Finance Committee recommendation. The proposed range is 3% to 10% of operating expenses. The Fund would be a budget line item rather than a separate bank account or Board-designated reserve.

During the August review, the Committee clarified the approval and oversight roles. The Finance Committee would recommend the annual amount, assess risk, monitor activity, evaluate qualifying uses, and document its rationale. The General Manager would apply qualifying expenses within delegated authority and the remaining Fund balance. Existing approval limits

would continue to apply, and prior Board approval would be required if cumulative use would exceed the budgeted Fund amount.

Fund activity would be included in monthly financial reporting, with a brief explanation of material uses. The Treasurer, supported by the Finance Committee, would report the Fund balance and year-to-date activity to the Board. The policy would be reviewed at least every two years, consistent with the Prudent Reserve Policy review cycle, and will be submitted to the Board of Trustees for approval.

Literature Discount and Implementation Review

The revised budget includes an assumption that the intergroup literature discount will be adjusted from 30% to 15%. The Committee also discussed giving intergroups adequate notice so they can update pricing, inventory plans, and communications. Implementation will follow confirmation of the governing Board action and communication plan.

Contributions and Fellowship Communication

The Committee discussed ways to make contributions easier and to improve donor communication, including mobile-friendly giving, QR codes, recurring contributions, and timely acknowledgments. Members also discussed communicating WSO's financial position clearly, including how literature sales, operating expenses, and Seventh Tradition contributions work together to support ACA services. Evaluation of donation-platform options remained ongoing at month-end.

Prudent Reserve Policy

The Committee noted that the Prudent Reserve Policy, adopted in 2022, is scheduled for review. The review will address the policy's purpose, authorized uses, replenishment expectations, reporting, and its relationship to the Contingency Fund. The Committee plans to prioritize this work at its next regular meeting.

What Happens Next

- Complete final cleanup of the Contingency Fund Policy and submit the recommended draft to the Board of Trustees.
- Confirm the Board authority and communication plan before changing the intergroup literature discount.
- Begin the formal review of the Prudent Reserve Policy.
- Continue monitoring the revised 2026 budget and report material variances.
- Begin planning for the 2027 budget.

Committee recommendations and draft policies become effective upon approval by the Board of Trustees.

How to Get Involved

If you have a finance or business background—or simply an interest in learning—consider joining the Finance Committee. You do not need to be a CPA to participate. To learn more, email **finance@acawso.org** or **treasurer@acawso.org**, or message any Finance Committee member on Slack.

Due to the confidential nature of Committee proceedings, a signed Non-Disclosure Agreement (NDA) is required for full participation.

Finance Committee Members

Al E., IL — Treasurer and Chair;

Sylvia M., CA — Vice Chair;

Bill D., CA — Member;

Brad L., MD — Member;

Channen S., CO — Member.