

Hi, Family!

What is a budget?

A budget is an estimate of expected expenses for a set period of time; it does not reflect any actual costs. A budget also usually includes expected income although, in the history of the RSC, income has not been made a part of the budget.

What is a prudent reserve?

A prudent reserve is moneys retained or set aside for operating costs should a situation arise where income to cover these expenses is not received.

A little bit of history ...

The original RSC Budget in 1990 or 1991, was set through a motion made and passed which stated some possible expenditures for which the RSC might be obligated pay. Having no prior actual expenses to use as a basis for the budget, the figures used were approximated. In January 1999, the Administrative Committee was put to the task of revising the budget and did so utilizing actual expenses from previous years and it was also decided that our fiscal year would be January 1st through December 31st for any given year. Since the 1999 revision, new items have been added to the budget through passage of motions, however, items for which the RSC is no longer obligated to pay have not been removed, therefore we have been using an over inflated budget.

At the July 2003 Ad Hoc Budget Review meeting, the main concern seemed to be that many GSRs did not understand our budget and financial reports. We discussed a few line item revisions and soon got off track discussing removal of certain responsibilities from our guidelines since moneys were not being spent for such responsibilities. This topic of discussion was not stated in the purpose of this Ad Hoc Committee, we were over-stepping our bounds and the meeting ended.

At the meeting last weekend much progress was made. We lowered the budget and prudent reserve considerably using more realistic figures based on the past three (3) years' expenditures. We also discussed treasurer policy for reporting and balancing the budget and the responsibility of other trusted servants with respect to annual submission of budgets for the needs of each subcommittee and/or position held.

It is the recommendation of this Budget Review Committee to:

1. Remove all dollar amount budget references from the RSC Guidelines: the RSC Budget is required to be part of the Treasurer's Report of every RSC and may fluctuate from time-to-time [Appendix A]
2. Show only annual and prudent reserve amounts for each trusted servant position, no more separation by when moneys are to be spent (I.e.: annual, semi-annual, quarterly, bi-monthly, etc.): a simplified approach to reporting the budget
3. Remove detailed line items (what each budget can be spent on) from the reporting budget: the treasurer will be responsible for keeping up with the details for reporting and updating purposes
4. Set-up an accrual account to accumulate funding for expenses that are needed less frequently than every RSC meeting: with our current bi-monthly schedule, the treasurer would make bi-monthly transfers to the accrual account in an amount based on the appropriate percentage of the total expense necessary to accumulate the total amount needed prior to funding each expense and then would transfer moneys back to the main account as it is needed, the cap or maximum moneys accumulated would not exceed our upcoming needs.
5. Begin using a 2-year budget (effective in 2004): World Service Conferences (WSC) will be held in even years with the RSC funding the RD Alternate only and World Service Meetings (WSM) will be held in odd years with the RSC funding both the RD and RD Alternate
6. Revise the budget for the following year at the last RSC held each year and include the newly revised budget in that RSC's minutes: each newly elected officer will need to prepare for this discussion between their election and the last RSC held each year.

7. Create a treasurer policy manual to include but not be limited to the position's duties, responsibilities, when repetitive payments are due, detailed line item spending for budgeting purposes and operation of an accrual account.

During discussion at the meeting yesterday, experience regarding NA and interest bearing accounts was mentioned. Our guidelines already cover this issue on page 17:

DUTIES, RESPONSIBILITIES, and QUALIFICATIONS: ADMINISTRATIVE OFFICERS

Treasurer - Administrative Committee

Treasurer Guidelines: 6. The checking account should be non-interest bearing so there will be no need to report taxes.

Expenses for purchasing the Conference Agenda Report (CAR) were inadvertently overlooked when the revised budget was prepared at the September 20th meeting but were added to the final 2003 budget and presented as follows:

Position / Subcommittee / Vendor	Prudent Reserve	
	Expected	Annual Budget
EXPECTED EXPENSES	Every Other Month	
Chair		
Vice-chair		
Secretary	\$70.00	\$425.00
Treasurer	\$5.00	\$30.00
Regional Delegate	\$20.00	\$125.00
RD Alternate		
Activities		
Hospitals & Institutions		
Literature	\$5.00	\$30.00
Outreach	\$162.50	\$975.00
Phoneline	\$310.00	\$1,860.00
Public Information	\$35.00	\$210.00
Website / WebMaster	\$37.50	\$226.00
RSC & Subcommittee Rent	\$50.00	\$300.00
Southern Zonal Forum Representatives (2)	\$670.00	\$4,000.00
NON_BUDGETED EXPENDITURES		
EXPECTED TOTAL EXPENSES	\$1,365.00	\$8,181.00
EXPECTED INCOME	(\$1,000.00)	(\$6,000.00)
EXPECTED NET (difference)	\$365.00	\$2,181.00

Much discussion ensued when expected expenses exceeding expected income was stated. The Eleventh Concept was read and there seemed to be a better understanding of prioritization of expenditures and what could be done about it [Appendix B]. After all discussion of the committee's proposal had ended, there was no opposition voiced by any member of the ARSCNA body.

In Loving Service,



Valerie Mc, ARSCNA Treasurer

Reminders to Trusted Servants:

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QUALIFICATIONS AND RESPONSIBILITIES: SUBCOMMITTEE OFFICERS

A. CHAIRPERSON

- 1) Elected by the group conscience of the RSC as per its guidelines.
- 2) Presides over all meetings of the subcommittee with a general understanding of parliamentary procedure.
- 3) Prepares a report for each RSC meeting and makes all motions on behalf of the committee and is the voice of the indicated subcommittee.
- 4) Coordinates and is responsible for all work done by the subcommittee.
- 5) Maintains communication with World Services.
- 6) Prepares a budget with the subcommittee to be submitted for the approval of the RSC for the upcoming year (if necessary).**

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SUBCOMMITTEE AGENDA

1. Opening prayer
2. Read Twelve Traditions
3. Read Basic Purpose of the committee in session
4. Secretary Report
5. Administrative Committee Report (Activity since last meeting)
- 6. Budget Expenditures**
7. Area reports
8. Old business
9. Elections
10. New Business
11. Review of upcoming subcommittee activities and motions for the RSC.
12. Announcements
13. Closing Prayer

Budget References to be removed from RSC Guidelines:

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ADMINISTRATIVE COMMITTEE

Administrative Committee Budget:

~~Chairperson and Vice-chairperson~~

~~\$10.00 bi-monthly for Conference calls, special votes, mail-outs, etc.~~

~~Secretary~~

~~\$125.00 bi-monthly for printing & postage of mailing minutes~~

~~\$20.00 bi-monthly for correspondence & mail forwarding~~

~~\$96.00 annually, payable to Mailboxes, Etc. for annual box rental~~

~~\$124.00 annually, payable to Mailboxes, Etc. for annual pre-paid mail forwarding~~

~~Treasurer~~

~~\$20.00 bi-monthly for supplies, postage & long distance~~

~~Regional Delegate and Regional Delegate Alternate~~

~~\$2,650.00 annually for WSC expenses~~

~~\$1,250.00 annually for WSC Quarterly Service Meeting expenses~~

~~\$1,100.00 annually for CAR Workshops and miscellaneous expenses~~

~~RSC & Subcommittee Rent~~

~~\$50.00 bi-monthly (\$25.00 per day) for rent of meeting space~~

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SOUTHERN ZONAL FORUM LIAISON

The appropriate committee chairpersons for the specific topic of the Southern Zonal Forum or the RD and RDA shall be sent to the Forum and **fully funded** by the Region.

Southern Zonal Forum Liaison Budget:

~~Hotel/motel expense:— advance at \$75.00 per night; receipts required.~~

~~Mileage expense:— advance to and from the Forum figured town to town at current IRS charity mileage rate (14¢ per mile) with no receipts required.~~

~~Meal expense:— advance at current US General Services Administration per diem rate for Federal travelers (\$30.00, more in some areas); receipts required.~~

~~SZF registration expense:— advance at current rate (\$10.00/person); receipt required.~~

~~SZF audiotape expense:— advance at current rate (\$25.00) to purchase one (1) set on behalf of the Region; receipt required.~~

WEBMASTER

Webmaster Budget:

~~\$43.90 bi-monthly for payments to Advanced Internet Technologies, Inc. for Windows Powersite; domain name <arscna.org>~~

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ACTIVITIES COMMITTEE

Functions of the Subcommittee:

- I. *ARACNA-Mania* will be published between RSC meetings during the 4th week of Feb., April, June, Aug., Oct., and Dec. The purpose of the newsletter will be to keep member Areas and Loner Groups better informed of activities in our Region. All Areas or Loner Group representatives and Regional Subcommittee chairpersons should submit to the ARACNA Chairperson any information for publication by the end of the third week of each publishing

month. ARACNA-*Mania* will be distributed to each RCM, Loner Group GSR, RD, RSC Administrative Officer, Regional Subcommittee Chairperson, and if known, Area and Loner Group Activities Subcommittee Chairpersons.

ARACNA-*Mania* Budget:

~~\$20.00 bi-monthly for printing and distribution~~

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HOSPITALS AND INSTITUTIONS

Hospitals & Institutions Committee Budget:

~~\$40.00 bi-monthly for phone calls, literature & guidelines~~

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LITERATURE

Literature Committee Budget:

	<u>July</u> <u>2002</u>	<u>Sept.</u> <u>2002</u>	<u>Dec.</u> <u>2002</u>	<u>Jan.</u> <u>2003</u>	<u>Feb.</u> <u>2003</u>	<u>March</u> <u>2003</u>	<u>June</u> <u>2003</u>	<u>Aug.</u> <u>2003</u>	<u>Oct.</u> <u>2003</u>	<u>Dec.</u> <u>2003</u>
Travel	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Hotel	\$50.00	\$50.00	\$50.00	\$75.00	\$75.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Supplies	\$10.00	\$10.00	\$10.00	\$20.00	\$20.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
	\$70.00	\$70.00	\$70.00	\$105.00	\$105.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00

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OUTREACH

Outreach Committee Budget:

~~\$100.00 quarterly (x 3) for meeting lists copy expense; Jan., June & Sept.
\$10.00 bi-monthly for miscellaneous expenses
\$227.25 bi-monthly for 5 "ARSC New Group Starter Kits" @ \$45.45 each~~

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PHONELINE

Phoneline Committee Budget:

~~\$164.00 bi-monthly payable to Your Message Center for service (\$70.00/month) and miscellaneous expenses plus sales tax (averaging \$12.00/month). This amount is paid toward amount billed on monthly statement by electronic fund transfer from the ARSCNA checking account.
\$135.00 bi-monthly payable to AT & T for toll-free service. Electronic fund transfer pays actual amount billed on monthly statement from the ARSCNA checking account.~~

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PUBLIC INFORMATION

Public Information Committee Budget:

~~\$20.00 bi-monthly for printing flyers & mailings of materials for presentations~~

Eleventh Concept

NA funds are to be used to further our primary purpose, and must be managed responsibly.

NA members around the world contribute money to help our fellowship fulfill its primary purpose. It is incumbent upon every element of our service structure to use those funds to carry the NA recovery message as far as possible. To do that, our service bodies must manage those funds responsibly, accounting fully and accurately for its use to those who have provided it.

Narcotics Anonymous funds should always be used to further our primary purpose. Money is used to pay the expenses involved in running NA recovery meetings, to inform the public about NA, and to reach addicts who can't get to meetings. It is used to develop, produce, translate, and distribute our message in written form, and to bring our members together in a service community committed to the vision of spreading our message around the world to those in need. All of this is done in support of NA's spiritual aim: to carry the message to the addict who still suffers.

Service funds aren't easy to come by. To fulfill our primary purpose, we need all of the financial resources at our fellowship's disposal. Our groups, service boards, and committees must make prudent use of the money we give them, refusing to spend money frivolously or self-indulgently. With NA's primary purpose in mind, our services will avoid wasting money, using the funds they've been given to carry our message as effectively as possible.

One way we apply Concept Eleven is by establishing clear spending priorities and measuring each proposed expenditure against that priority list. Many groups, service boards, and committees have more items on their priority lists than their budgets will allow. In such cases, only the highest priorities can be funded.

Money is only one of the resources we must responsibly prioritize. While the Eleventh Concept applies directly to the management of funds, it also has implications for the management of all our service resources. Most projects depend as much on ideas, information, conscience, and members' time and willingness as they do on money. If we have the funds needed to carry out a project but lack the time or the ideas, we'd best wait until we've gathered *all* the needed resources before proceeding. If we don't, we will have wasted NA service funds. In responsibly planning and prioritizing our service efforts, we must consider the total resource picture, not just our finances.

In setting priorities, we may be tempted to look only at our own needs, tightly holding on to funds, spending money only on our own projects, and neglecting our role in providing needed funds to all levels of service. That kind of thinking is contrary to the Eleventh Concept. High on our list of priorities should be a commitment to further the goals of NA as a whole. For NA to deliver the services necessary to keep growing and fulfilling our primary purpose around the world, the flow of funds must not bottleneck at any point in our structure.

While groups are responsible to fund our services, they are also responsible to carefully manage their service contributions. When contributing money, groups should ask themselves what that money will do once it leaves their hands. Will it aid in the delivery of useful services to the groups? Will it help carry our message to the addict who still suffers? Will the service board or committee use it wisely? Our groups are free to decide for themselves how much they will contribute to the different levels of our service structure. We encourage them to do so, and to do so responsibly.

This is not to suggest that groups earmark contributions for any particular subcommittees. The groups have created the service structure not only to deliver services on their behalf, but to *coordinate* those services. In delegating to the service structure the authority necessary to fulfill its responsibilities, the groups have also delegated the authority to coordinate the allocation of service resources at each

level of service. That way, the needs and goals of all fields of service can be effectively balanced against the total resources of the coordinating service body.

Clear, frank communication from our service structure is the best way to help our groups contribute their funds in a responsible way. When the groups receive full, regular reports on the activities of their service boards and committees, they begin to see the total service picture. The groups should also receive information on how much those activities cost. That kind of communication helps assure our groups that their contributions are being handled responsibly.

Direct group contributions to our service structure encourage responsible management of service funds and help our services maintain their focus on NA's primary purpose. It is our experience that, when we make a commitment to fund the work of each level of the service structure exclusively through group contributions, we find it easier to maintain a strong link between our groups and our other service units. Our groups tend to be more aware of the work being done on their behalf and of their responsibility to provide their boards and committees with the necessary financial resources. When all levels of our service structure receive direct financial support from the groups, the bonds of mutual responsibility are strengthened between them. Additionally, by freeing our service boards and committees from the need to engage in fundraising activities, we make it possible for those service units to devote their full energies to the fulfillment of NA's primary purpose.

Accountability is an essential aspect of responsible NA financial management. When the members of Narcotics Anonymous provide groups, committees, offices, and conventions with funds, our service structure is responsible to account for how those funds are used. Regular financial reports, open books, and periodic audits of NA accounts, as described in the various guides developed for NA treasurers, help our members be sure their contributions are being used well, and help our services remain financially accountable to those they serve. Treasurers' reports help us see how well our actual service spending matches up with the priorities we've established. Consistent financial records help us make realistic spending plans for future service activities. Regular financial reporting and auditing also help deter the theft of NA service funds; and if funds are stolen, regular audits ensure that such thefts cannot go long unnoticed.

When NA members contribute service funds, they expect their money to be used carefully, and to be used for the service's purpose of furthering our primary purpose. By accepting those contributions, our groups, service boards, and committees make a commitment to use those funds to carry the NA message, and to manage them responsibly.