

FINANCIAL GUIDELINES

FOR

Groups, Districts & Areas

of

COCAINE ANONYMOUS



CA FINANCIAL GUIDELINES

INTRODUCTION

To carry the message of Cocaine Anonymous, other than reaching out on a personal level, funds are needed to expedite the many functions of the fellowship from the group to the World Service Office (WSO).

The moment a CA member's hard-earned money is put in the basket at a CA meeting, it is expected that CA's trusted servants will handle these contributions in a responsible manner. It is expected that we do everything possible to see that the money is used wisely, cared for judiciously, and that a prudent reserve is kept. When that has been accomplished, it is suggested that the group forward the balance to the next level of service. In the case of a District Service Committee, this would mean transferring funds to the Area Service Committee, and in the case of an Area Service Committee, it would mean transferring funds to the World Service Office. If you are not part of a larger service committee at this time, it is suggested that you forward any funds over and above your prudent reserve to the World Service Office.

These guidelines are intended to serve as an aid to all members of Cocaine Anonymous, particularly those charged with the responsibility of handling funds. If these guidelines are followed closely, our experience tells us that they will help avoid mismanagement of funds, and lessen the chance of financial misfortunes. The hope is that this will help our fellowship achieve financial security. This will maximize our efforts to carry the message of recovery to the still suffering addict.

These Financial Guidelines were crafted through the efforts of the World Conference Finance Committee in direct response to several referrals related to successfully managing finances at Groups, Districts, and Areas. They are presented for use and can be adopted as is, modified and then adopted; serve as a framework for the creation of an entirely separate set of guidelines at the local service level

Terms and abbreviations herein are as explained and defined in the CA World Service Manual.

GROUP/MEETING

GROUP TREASURER QUALIFICATIONS

- 1) Suggested sober time: One Year
- 2) Suggested prior service time: Six months
- 3) Term: One year.
- 4) Gainfully employed and/or financially solvent

DUTIES AND RESPONSIBILITIES:

- 1) Keeps an accurate bookkeeping system (See the “Group Treasurer’s Record” form.
- 2) When applicable, maintains Group bank account(s) with checks requiring two signatures.
- 3) Gives financial reports to the Group on a monthly basis.
- 4) Pays all Groups expenses
- 5) Passes on contributions to the District/Area and/or the World Service Office.
- 6) Collects and documents 7th Tradition money.
- 7) Collects and documents the H&I money (if H&I cans are passed at that meeting), and passes the H&I money onto the District or Area Treasurer, distinguished as H&I money.

- **Have more than one person count money, i.e.: treasurer and GSR or Secretary:** It is suggested, especially in larger meetings, that the treasurer, and one other person count the money from the 7th Tradition basket and the H&I can. At that point, the money can be put into an envelope, with the date, amounts received and amounts paid out, and initialed by both individuals who counted the money.
- **Give monthly financial report:** The meeting should be given a monthly treasurer’s report, to inform the meeting of how much money has been brought in, how much has been spent, and any upcoming expenditure that the meeting may have coming up in the future. This should be done as a part of the meeting, and as a part of the meeting format (i.e. “on the third Monday of the month, Treasurer’s Report”). It should include any upcoming expenses that the treasurer is aware of (literature, chip, or schedules, etc. that need to be purchased; possible fund raisers for district, etc).
- **Do not borrow funds from the group:** Under NO CIRCUMSTANCES should ANYONE borrow money from group funds. The funds belong to the group, not the individual.
- **Co-mingling of funds**
It is recommended that personal monies and group monies not be combined or co-mingled.
- **Do not spend funds without group conscience:** Funds belong to the group, and the group should know what the money is being spent on. Therefore, before funds go out from the group treasury, the group should have an opportunity to vote on this action. There may be group expenses that are “agreed” upon expenses, such as rent, coffee, etc. and therefore the treasurer pays these as they come due. All other expenses should be voted on.
- **All items paid in and out of the group, should have a receipt:** It is just good common sense business practice to have receipts for items like coffee, literature purchased, copies made, etc. Also, the Group Treasurer should ask the District (or Area) treasurer for a receipt when funds are donated. These receipts should be kept at the group level for one year.
- **Maintains the Prudent reserve:** Groups should decide on what their “group prudent reserve” amount is. Usually, that is considered two or three months of group expenses. The treasurer should maintain this amount, and all other monies go on to the next level as a donation

- **Bank accounts, and reconciling checking account or record keeping without a checking account:** If your group has a checking account, the checking account register should be kept up to date, with all deposits and checks shown clearly. Once a month, when the bank statement comes in, the treasurer should reconcile that statement and review it with other group officers. Funds should be deposited as soon as possible. Checks should require two signatures. Checks should never be pre-signed. It is wise to have three individuals to be signers on the account. If the group does not have a checking account, clear records should be kept by the treasurer.
- **How to fill in a check register:** Check registers should be filled out completely, with correct dates, deposit amounts, check number, check amounts and withdrawals filled in. Once per month, the check register should be balanced with the bank statement.
- **Spirit of the 7th Tradition.** All monies in excess of the Group's prudent reserve and monthly expenses are traditionally forwarded on to their district or area. Groups, if they choose, can participate in a 70/30 plan, as described in the WSO pamphlet "The 7th Tradition": "With the 70/30 plan, 70% of your meetings remaining funds are donated to your district or area and 30% are donated to the CA World Service Office." Large quantities of cash, or large bank balances for a group are not necessary, and have in the past, been known to cause problems.
- **Special Donations.** By group conscience, groups can also participate in submitting funds to special projects that are requesting funds from their District, Area, or World Services. Groups can decide, by group conscience, if they want to donate to "special causes" in CA. A special cause could be another meeting that needs literature, a fundraiser at the district/Area, or even a World Service special project, such as the H&I video. The information about the project should be spelled out carefully to the members of the group before a vote is taken.

GROUP TREASURER RECORD

MONTHLY MEETING RECORD FOR: _____

FROM: _____ TO: _____

MONTHLY REPORTS

This information should be included with your GSR report to the District or Area

BEGINNING BALANCE (Ending Balance from Last Month): \$ _____

INCOME:

7th TRADITION: \$ _____

LITERATURE: \$ _____

OTHER: \$ _____

OTHER: \$ _____

TOTAL INCOME: +\$ _____

EXPENSES:

RENT: \$ _____

SUPPLIES: \$ _____

_____ DONATION: \$ _____

_____ DONATION: \$ _____

_____ DONATION: \$ _____

CHIPS & LITERATURE: \$ _____

OTHER: \$ _____

TOTAL EXPENSES: -\$ _____

ENDING BALANCE: \$ _____

Recordkeeping Example

GROUP/MEETING TREASURER RECORD TEMPLATE FOR USE IN YOUR GROUP.

GROUP NAME: Work The Steps Or Die

Date	Description	Amount Received	Amount Paid	Balance
9/1/2004	Opening Balance	0.00	0.00	0.00
9/1/2004	7 th Tradition	25.00	-	25.00
9/1/2004	Other (H&I Collection)	10.00	-	35.00
9/1/2004	Literature	5.00	-	40.00
9/2/2004	Other (H&I Donation)	-	10.00	30.00
9/8/2004	7 th Tradition	20.00	-	50.00
9/8/2004	Other (H&I Collection)	5.00	-	55.00
9/8/2004	Chips & Literature	-	10.00	45.00
9/8/2004	Supplies (Refreshments)	-	5.00	40.00
9/8/2004	Other (H&I Donation)	-	5.00	35.00
9/15/2004	7 th Tradition	30.00	-	65.00
9/15/2004	Other (H&I Collection)	15.00	-	80.00
9/15/2004	Supplies (Refreshments)	-	5.00	75.00
9/16/2004	Other (H&I Donation)	-	15.00	60.00
9/22/2004	7 th Tradition	20.00	-	80.00
9/22/2004	Other (H&I Collection)	10.00	-	90.00
9/22/2004	Literature	5.00	-	95.00
9/22/2004	Chips & Literature	-	15.00	80.00
9/22/2004	Supplies (Refreshments)	-	10.00	70.00
9/23/2004	Other (H&I Donation)	-	10.00	60.00
9/29/2004	7 th Tradition	25.00	-	85.00
9/29/2004	Other (H&I Collection)	15.00	-	100.00
9/29/2004	Supplies (Refreshments)	-	10.00	90.00
9/29/2004	Other (H&I Donation)	-	15.00	75.00
9/30/2004	Rent	-	25.00	50.00
9/30/2004	District Donation	-	14.00	36.00
9/30/2004	World Office Donation (WSO)	-	6.00	30.00

GROUP TREASURER RECORD

MONTHLY MEETING RECORD FOR: Work The Steps Or Die

FROM: 9/1/2004 TO: 9/30/2004

MONTHLY REPORTS

This information should be included with your GSR report to the District or Area

BEGINNING BALANCE (Ending Balance from Last Month): \$ 0.00

INCOME:

7th TRADITION: \$ 120.00

LITERATURE: \$ 10.00

OTHER: \$ 55.00

OTHER: \$ _____

TOTAL INCOME: +\$ 185.00

EXPENSES:

RENT: \$ 25.00

SUPPLIES: \$ 30.00

District DONATION: \$ 14.00

WSO DONATION: \$ 6.00

_____ DONATION: \$ _____

CHIPS & LITERATURE: \$ 25.00

OTHER: \$ 55.00

TOTAL EXPENSES: -\$ 155.00

ENDING BALANCE: \$ 30.00

DISTRICT

DISTRICT TREASURER QUALIFICATIONS

- 1) Two years of continuous sobriety.
- 2) Two year commitment
- 3) One year of active service in your District
- 4) Gainfully employed and/or financially solvent

DUTIES AND RESPONSIBILITIES:

- 1) Receives and deposits contributions from meetings and special events.
- 2) Keeps an accurate bookkeeping system.
- 3) Maintains bank account(s) with checks requiring two (2) signatures.
- 4) Gives monthly financial report with a copy of the District Bank Statement (account numbers blacked out).
- 5) Pays all expenses.
- 6) Passes on contributions to Area and World Services according to the 70/30 plan.
- 7) Forwards yearly district reconciliation to the Area Treasurer for the purpose of Area Reports to regulatory agencies.

MONEY HANDLING TECHNIQUES

- **Do not borrow funds from the treasury:** The money of the District belongs to the District. There is NO REASON for ANYONE to borrow the District funds.
- **Co-mingling of funds**
It is recommended that personal monies and District monies not be combined or co-mingled.
- **When money is turned in to the Treasurer at the business meetings, a receipt will be given to the person turning in the money, before the end of the District Meeting:** For accurate record keeping by the District Treasurer, a receipt should be given to the individual who gave money to the District. Receipt books that have four receipts on a page with duplicates for the District can be purchased for a nominal fee from any stationer store.
- **Deposit of funds to be made on the following business day:** The District Treasurer should immediately make any deposits of funds received. Next business day is a reasonable request. The treasurer should keep the receipt that is given by the bank in a safe place, and reconcile with the bank statement at the end of the month.
- **Maintains bank account(s) with checks requiring two signatures:** All district checking accounts should have checks with two (2) signatures on it. It is wise to have three (3) individuals who can sign on the account. Checks should never be pre-signed. The suggested signatories on accounts are District Chair, District Vice-Chair, and Treasurer. When you set up the account at the bank, you should request that the bank only honor the checks with two (2) signatures on them. This will help to protect your district from mismanagement of funds.
- **Submit monthly reconciled statements and report to the District Committee:** When submitting your Monthly Treasurer report to the District Meeting, it is a good idea to submit a copy of the bank statement (with account numbers blacked out). This will help to verify to your membership that the accounts are being handled correctly.

- **All requests for reimbursements must be accompanied by a receipt:** All requests for reimbursements, from members of the district, should be accompanied by a receipt. Receipts should be kept for a year, and after the amount has been paid back to the individual, the treasurer should mark on the receipt “Paid, Date, Check No.
- **For any expenditure over \$500.00, there must be a three bid process:** To verify that district is getting the best deal available to them, for large purchase items, the district should get 3 bids on any purchase.
- **Upon resignation and/or election of a new treasurer, a new bank signature card shall go in effect no later than 3 business days:** The new treasurer should go to the bank, get new signature cards, and take them to the bank immediately. They need to have new signature cards before the treasurer can take over the other duties as the treasurer.
- **It is suggested that the District keep a prudent reserve of three months operating expenses:** A district should have a prudent reserve of 3 months expenses. All other monies exceeding this prudent reserve should be passed up to the next level (Area Service, or World Services). The keeping of excess funds at the district level is strongly discouraged. Our fellowship maintains the spiritual principle of the 7th Tradition, which talks about moving the funds up, and out to carry the message to the still suffering addict.
- **All funds in excess of the prudent reserve should be forwarded on to the next level and the WSO via the 70/30 plan:** It is suggested that the district decide to use the 70/30 plan, and send some money to the Area and some money to the World Service office.
- **A financial review of the Districts financial records should take place at least once a year by the Treasurer, District Chair, District Vice-Chair and District Secretary:** Once per year, the District officers should take a close look at the district financial records. Verifying that all checks have been written to the appropriate people, that receipts are in place and that deposits have all been made correctly. It is a great time for the District Officers to look at which meetings may need assistance with their treasuries. At this time, the District Officers may suggest that a “budget” be done to assist the district in maintaining financial success.
- **When a new treasurer is elected, all records need to be turned over to the new treasurer:** When the district elects a new treasurer, the treasurer who is rotating out, and the new treasurer should sit down and work together. The old treasurer should show the new treasurer how the District accounting is done. The old treasurer should verify that the new treasurer understands all aspects of the District Treasury.

DISTRICT TREASURER REPORT TEMPLATE FOR USE IN YOUR DISTRICT

<DISTRICT NAME>

Treasury Report <Month, Year>

Prepared by <Treasurer Name>

Account Balance on <Date> \$0.00 H&I \$0.00 7TH \$0.00

EXPENSES

DATE	CK#	PAYEE	DESCRIPTION	AMOUNT
19-Jan-04	413	Individual	KINKOS (Flyers)	\$0.00
10-Feb-04	414	Phone Bill	PHONE BILL (Feb)	\$0.00
10-Feb-04	415	Area	JAN DONATION (\$25.00 Ins.)	\$0.00
10-Feb-04	416	C.A.W.S.O.	JAN DONATION	\$0.00
10-Feb-04	417	Individual	RENT (Dist. Mtg.)	\$0.00
TOTALS				\$0.00
TOTAL EXPENSES				\$0.00

JAN. INCOME

DATE	SOURCE	AMOUNT
1-Feb-04	MON. Meeting Name	\$0.00
1-Feb-04	TUE. Meeting Name	\$0.00
1-Feb-04	WED. Meeting Name "	\$0.00
1-Feb-04	FRI. Meeting Name	\$0.00
1-Feb-04	SAT. " Meeting Name "	\$0.00
1-Feb-04	SUN. " Meeting Name "	\$0.00
TOTALS		\$0.00
TOTAL INCOME		\$0.00

Account Balance on <Date> \$0.00 H&I \$0.00 7TH \$0.00

NEW MONTH, YEAR INCOME

	H&I	7TH
MON Mtg.....	\$	\$
TUE. Mtg	\$	\$
WED Mtg	\$	\$
FRI. " Mtg	\$	\$
SUN Mtg	\$	\$
INCOME TOTAL.....	\$	\$
PREVIOUS BALANCES (This the balance from Account balance in the center of the page):	\$0.00	\$0.00
PRUDENT RESERVE...(Whatever your district chooses as a prudent reserve)	\$	\$50.00
SUB TOTAL.....	\$	\$
MOTION TO CONTRIBUTE (70% Area, 30% to W.S.O.).....	\$	\$
NEW BALANCES.....	\$	\$

AREA

AREA TREASURER QUALIFICATIONS

- 1) Two years of continuous sobriety.
- 2) Two year commitment
- 3) One year of active service in your Area
- 4) Gainfully employed and/or financially solvent
- 5) Bookkeeping or Accounting experience preferred.

DUTIES AND RESPONSIBILITIES:

- 1) Receives and deposits contributions from meetings districts and special events.
- 2) Keeps an accurate bookkeeping system.
- 3) Maintains bank account(s) with checks requiring two (2) signatures.
- 4) Gives monthly financial report with a copy of the Area Bank Statement (with account numbers blacked out).
- 5) Timely reporting with regulatory agencies, federal and state. To protect the Area's non-profit status yearly filings are required. It is recommended that these filings be done by an independent accountant.
- 6) Pays all expenses.
- 7) Passes on contributions to Area and World Services.

MONEY HANDLING TECHNIQUES

- **Do not borrow funds from the treasury:** The money of the Area belongs to the Area. There is NO REASON for ANYONE to borrow the Area funds.
- **Co-mingling of funds**
It is recommended that personal monies and Area monies not be combined or co-mingled.
- **When money is turned in to the Treasurer at the business meetings, a receipt will be given to the person turning in the money, before the end of the Area meeting:** For accurate record keeping by the Area Treasurer, a receipt should be given to the individual who gave money to the Area. Receipt books that have four receipts on a page with duplicates for the Area can be purchased for a nominal fee from any stationer store.
- **Deposit of funds to be made on the following business day:** The Area treasurer should immediately make any deposits of funds received. Next business day is a reasonable request. Treasurer should keep the receipt that is given by the bank in a safe place, and reconcile with the bank statement at the end of the month.
- **Maintains bank account(s) with checks requiring two signatures:** All Areas should be using a checking system that requires a two (2) signatures on their checks. Checks should NOT be pre-signed. This is to protect the Area from possible mismanagement of funds at the Area level. When setting up your checking account at the bank, you should ask them to honor your checks with only 2 signatures on them.
- **Submit monthly reconciled statements and report to the Area committee:** When the Area Treasurer does the monthly report, they should include a copy of the Area Checking Account bank statement (with account numbers blacked out). This is to assure the Area that the account and the treasurer report are in order.

- **All requests for funds must have a receipt:** A receipt should accompany all requests for reimbursements from members of the district. Receipts should be kept for a year. After the amount has been paid back to the individual, the treasurer should mark on the receipt “Paid, Date, and Check No.”.
- **For any expenditure over \$500.00, there must be a three bid process:** To verify that the Area is getting the best deal available to them, for large purchase items, the Area should get 3 bids on any purchase.
- **Upon resignation and/or election of a new treasurer, a new bank signature card shall go in effect no later than 3 business days:** The new treasurer should go to the bank, get new signature cards, have them signed, and take them to the bank immediately. The bank needs to have new signature cards before the treasurer can take over the duties as the treasurer.
- **It is suggested that the Area keep a prudent reserve of three months operating expenses:** An Area should have a prudent reserve of 3 months expenses. All other monies exceeding this prudent reserve should be passed on to the next level, the World Service Office. The keeping of excess funds at the Area level is strongly discouraged. Our fellowship maintains the spiritual principle of the 7th Tradition, which talks about moving the funds up to assist us in carrying the message to the still suffering addict. There is no reason for Areas to sit on large funds of money. This puts the Area at risk for mismanagement of funds.
- **At the discretion of the Area, all funds in excess of the prudent reserve should be forwarded on to WSO:** The Area should forward all excess amounts of money on to the World Service Office. This helps us to maintain our 7th Tradition.
- **A financial review of the Areas financial records should take place at least once a year by the Treasurer, Area Chair, Area Vice-Chair and Area Secretary:** At least once per year, the Area officers should review all of the Area’s financial aspects. They should look at monies in prudent reserve to verify they are sufficient, or excessive. They should look at expenses to see where they could save money, or where they need to spend more money. They should look at Donations to see if Districts or Groups may need some assistance with their treasuries. It would be of assistance for these officers to do this around the time of the Non-Profit report filings to the State and IRS.
- **An Area budget may be a helpful tool to the yearly planning and future of the Area:** It may assist the Area to do a yearly budget. This would consist of looking at 3 past years of expenses and credits, to see where the money has been spent, and to see where it should be spent. A budget is a valuable tool for successful finances on an Area level.
- **When a new treasurer is elected, all records need to be turned over to the new treasurer:** It is advised that the former and new treasurer meet and go over all aspects of the Area’s treasury. The former treasurer should verify that the new treasurer will know how to handle the funds appropriately. The former Treasurer should be able to assist the new treasurer in continuing a successful financial statement for the Area. At the time of this meeting, the former Treasurer should turn over all documents and financial information to the new treasurer.

AREA TREASURER REPORT TEMPLATE

AREA TREASURER REPORT

FOR: <Month, Year>

PREPARED BY:

	ITEMS		AVAILABLE FUNDS	RESERVE BALANCE
ENDING BALANCE			\$1,200.00	\$3,000.00
Plus source of funds:				
7 th Tradition		\$150.00		
H&I Cans		\$25.00		
Events:				
	Pot Luck	\$65.00		
	Dance	\$150.00		
	Convention	\$3,000.00		
	Raffles	\$17.00		
T-Shirts		\$300.00		
Book Sales		\$0.00		
Transfer from reserve	(Conference expenses)	\$1,750.00		\$(1750.00)
		\$5457.00	\$6657.00	\$1250.00
Less Funds:				
Contributions to WSO		\$(500.00)		
Literature		\$(125.00)		
Chips		\$(300.00)		
Book Purchases		\$(1000.00)		
Bank Service Charge		\$(14.50)		
Events				
	Site Rent	\$(1200.00)		
	Entertainment	\$(350.00)		
	Food	\$(750.00)		
	Raffle Prizes	\$(100.00)		
T-Shirts		\$(1,750.00)		
Transfers to Reserve	(Month)	\$(100.00)		\$100.00
		\$6189.50	\$467.50	\$1350.00
BALANCE END OF MONTH			\$467.50	\$1350.00

MISMANAGEMENT OF FUNDS:

Unfortunately, mismanagement of funds has occurred at various levels of CA. Adhering to the “Treasurer Qualifications” is your first defense from this happening in your Group, District or Area. Make sure that you are using a responsible member of your fellowship to handle your money. Make sure that they are giving you accurate reports. Regular reviews of financial records and bank statements are recommended. Ask them for more information if you question their reporting system or their money handling techniques. Many times, when Districts or Areas present some type of event (i.e.: dances, pot lucks, carnivals, conventions, or any other type of fund raising event), the District or Area treasurer is not involved in these events. Reconciliation of income and expenses to the District and/or Area is essential for safeguarding the funds. Treasurers of these events need to pass the money on to the District or Area at the next meeting.

AREA CONVENTIONS AND OTHER EVENTS:

Every convention and event should have a treasurer. This individual is responsible to the Event Committee and Area Treasurer for timely financial reports. At the end of the event a reconciliation of income and expenses needs to be forwarded to the Treasurer of the Area along with any donation from that event to the Area. A copy of this reconciliation should be available to all members of the Area Service Committee and/or Intergroup.

An individual, who signs a contract with a hotel or event place without the fellowship being a non-profit organization, is personally liable for any and all of the contract obligations.

PROPER FILINGS FOR IRS AND STATE FOR NON-PROFIT CORPORATIONS:

It is strongly recommended that those fellowships who hold non-profit corporation status file yearly IRS and State reports as is required by these agencies. If these reports are not filed in a timely fashion the non-profit status of the Area fellowship could be in jeopardy.

If an Area has not filed for non-profit status, it is strongly recommended that they achieve this status. For the reasoning behind this, it would be wise to consult with an attorney that handles these matters.

Being a worldwide fellowship it is likely that the specific requirements for achieving non-profit status (or equivalent) will vary from locale to locale.

BUDGETS:

Most organizations operate financially by using a yearly budget as a planning tool so as to see how and where their money is collected and spent. It is advised that an Area Finance Committee sit down once per year and devise an Area Budget. This is simply accomplished by going over the Area’s past three years of income and expenses and projecting the next year’s finances by using their old financial statements as their tool. A budget is a tool which may change throughout the year because of unforeseen income or expenses. Separate budgets should be specially created for special events, such as Area conventions. The Area Financial committee should submit their budget to the Area for approval.

LIABILITY INSURANCE:

In many Areas of CA, it has become necessary for meeting places (hospitals, churches, community centers, etc) and places where events are held to require the fellowship to provide proof of liability insurance. This meeting insurance would be to cover the meeting only, and not anything to do with the building in which it is held. For the event, it would cover the event for that event time only, and again, nothing to do with the building itself.

This insurance is basically to cover damage that could be caused by a member or an accident to a member caused by their participation in the meeting or event.

Some insurance carriers will cover an event for one time only, some will cover all events for the year, and others will cover both meetings and events. In your local Area, you need to check with different insurance brokers or carriers for insurance information. Some insurance companies specialize in insuring non-profit organizations. Check with the local insurance board for their information. In order to qualify for having insurance, your area must be registered as a non-profit organization.