

# FAQs (Frequently Asked Questions) for OA Service Body Treasurers

(Document prepared by WSBC Finance Committee)

## OA References:

Budget Guidelines for Service Bodies [http://www.oa.org/pdfs/budget\\_guidelines1.pdf](http://www.oa.org/pdfs/budget_guidelines1.pdf)

Fundraising and Prudent Reserve Guidelines for Groups and Service Bodies

<http://www.oa.org/pdfs/fundraisingguidelines1.pdf>

Intergroup Treasurer Guidelines [http://www.oa.org/pdfs/ig\\_treasurer\\_guidelines.pdf](http://www.oa.org/pdfs/ig_treasurer_guidelines.pdf)

Seventh Tradition of OA <http://www.oa.org/pdfs/seventhtradition.pdf>

OA Handbook for Members, Groups, and Service Bodies: Recovery Opportunities

World Service Office, Member Services department: [info@oa.org](mailto:info@oa.org)

- 1. Does my group need a bank account?** Many smaller groups find that it is easier to keep everything on a cash basis and have the treasurer get money orders as needed. However, if checks are ever put into the 7<sup>th</sup> tradition collection, a bank account is necessary. Checks should always be deposited promptly and never passed on as partial payment on a group literature order at WSO. A bank account also helps the group keep track of the money as group members and treasurers come and go. See more information in the OA Handbook for Members, Groups, and Service Bodies: Recovery Opportunities in the “What Does the Treasurer Do?” Section 6 of Getting Things Done in your OA Group.
- 2. My U.S. bank says we need a Tax ID. Does WSO have one for us to use?** The Tax ID for Overeaters Anonymous Inc. covers only the World Service Office, the World Service Business Conference and the Board of Trustees. It is not available for use by any other service body.
- 3. How do we get a Tax ID?** Contact your intergroup. They may have a Tax ID that covers all the affiliated groups. If not, your U.S. group must apply for one with the Internal Revenue Service (IRS). The required form is SS-4, Application for Employer Identification Number. You can print out a form at <http://www.irs.gov/pub/irs-pdf/fss4.pdf>. You can also apply on-line at <https://sa2.www4.irs.gov/modiein/individual/index.jsp>. When asked for the type of business, select other and write in “volunteer group,” or view additional types and select community or volunteer group if applying online. The remainder of the form is fairly straightforward.
- 4. My bank wants documentation so we can get their special non-profit no fee bank account. Where do I get that?** The non-profit status of Overeaters Anonymous, Inc. covers the World Service Office, the World Service Business Conference and the Board of Trustees. The WSO can provide a letter explaining this and stating that your group is registered with Overeaters Anonymous. Some banks may find this satisfactory, others will not. Some intergroups have their own non-profit status which may include the affiliated groups. In general, it is not practical for a group to apply for its own non-profit status. The paperwork is challenging and usually requires the assistance of a lawyer and a CPA to complete.

5. **How do I give receipts for 7<sup>th</sup> tradition donations?** Your group can use any type of cash receipt book available where office supplies are sold. However, money given to the group is generally not going to be tax deductible, and group leaders should never give the impression that it might be. In the U.S., only contributions to a non-profit organization with 501(c) (3) status are tax deductible. As stated in question 4, most groups are non-profit, but do not have 501(c) (3) status.
6. **Do I use my own checks to pay the bills?** As each group is autonomous, this question would be best asked in a group conscience meeting. Some group treasurers use their personal checking accounts and others purchase money orders.
7. **How long am I committing to service?** This varies, and is a matter of group conscience. Most service positions at the group or service body level are one or two year positions.
8. **Am I responsible for literature also?** As treasurer of your group, you will be responsible to either purchase literature or reimburse members who do purchase literature for your group.
9. **Does the purchase of literature require approval?** A group conscience is often agreed upon before any purchases are made.
10. **What is a prudent reserve and how do we establish one?** A prudent reserve is an amount of money set aside that can be used to meet operational expenses if contributions decrease. The WSO has a policy for their prudent reserve “not to exceed one year’s operating budget plus outstanding liabilities plus one-time capital expenditures.” Each service body can establish its own prudent reserve policy. It’s common for a prudent reserve to cover a three month period. Refer to Budget Guidelines for Service Bodies [http://www.oa.org/pdfs/budget\\_guidelines1.pdf](http://www.oa.org/pdfs/budget_guidelines1.pdf) and Fundraising and Prudent Reserve Guidelines for Groups and Service Bodies <http://www.oa.org/pdfs/fundraisingguidelines1.pdf>
11. **How often should I distribute excess funds to other service bodies and WSO?** Your group should decide this, keeping in mind their prudent reserve requirement. Many groups have chosen to send donations quarterly. Often, donations are split using a 60/30/10 formula, with 60% of contributions to Intergroup/ Service Board, 30% to WSO, and 10% to Region. As with frequency of contributions, this is a matter for your group conscience.
12. **There are a few meetings in our Intergroup which make no contributions to WSO, Region, or Intergroup. How do I approach this issue to see what’s going on?** Your intergroup treasurer can get actively involved with all the group treasurers so that oversight of group contributions is easier. Voicemail or email contact can facilitate this process. The intergroup treasurer can visit non-contributing meetings and share about self-support and read from the 7<sup>th</sup> Tradition pamphlet. Groups that do contribute should be sent acknowledgements or thank you’s for their contributions. Read Fundraising and Prudent Reserve Guidelines for Groups and Service Bodies for more information. <http://www.oa.org/pdfs/fundraisingguidelines1.pdf>

13. **How do we set travel/per diem policies, especially for travel to Regional events and WSBC?** Some intergroups follow the Internal Revenue Service guidelines for charitable mileage reimbursement. The expense policies are established through group conscience at an intergroup meeting. Looking at past expenses for travel may help the intergroup set some boundaries and the intergroup treasurer may be able to share what other intergroups have done with their travel policies.
14. **How do we establish review processes and conduct reviews of the financial records?** A finance committee could be created. This will include your treasurer and two other group members to review your financial records every three months.
15. **How do we handle income and expenses?** A ledger to record all income and expenses would be a great way to start. Documenting all transactions will allow audits to be conducted easily and future treasurers to step into their new role easily.
16. **How do we increase contributions to our service body?** There are many ways to increase contributions within a service body. Many groups have had a 7<sup>th</sup>. Tradition skit performed at their meeting. Some intergroups have fundraising events like clothing exchanges, basket drawings, garage sales, gratitude pledges, etc. Sharing the 7<sup>th</sup> Tradition pamphlet with the topic of self-support is a good meeting topic. Monthly intergroup/Service Board newsletters can print articles about self-support, fundraising efforts, and information on how contributions are used within Intergroups, Regions and the WSO. For more ideas read Budget Guidelines for Service Bodies [http://www.oa.org/pdfs/budget\\_guidelines1.pdf](http://www.oa.org/pdfs/budget_guidelines1.pdf) and Fundraising and Prudent Reserve Guidelines for Groups and Service Bodies <http://www.oa.org/pdfs/fundraisingguidelines1.pdf>
17. **The meeting location where we want to meet has asked for proof of our liability insurance; how do we get that?** The following is the WSO response to questions about liability insurance:

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*In order to protect the autonomy of OA meeting groups and service boards, the Board of Trustees has decided not to purchase liability insurance coverage for any entity other than Overeaters Anonymous, Inc. However, our insurance agent has provided us with information to assist groups and intergroups when the need for liability insurance arises. Contact WSO for further information.*

*1) Meetings requiring a certificate of insurance for their meeting location*

*a) Meeting member should contact the location's insurer (agent) and request to be placed on the location's policy as an additional insured. It is possible once the group explains about their lack of funds the agent will waive the need for any certificate of insurance. Otherwise, the cost would be much less than for a separate liability policy.*

*b) One member of the meeting may contact his/her homeowner's insurance agent and ask for a business endorsement on their homeowner's policy. Costs for this would also be low. However, the group is relying on the member's continued participation.*

*c) A group can work with other groups in the intergroup to purchase a certificated policy to provide certificates of insurance for all meeting locations requiring one. Cost may be based on the number of locations requiring certificates. Fees will be charged for premium and for issuing the certificates of insurance. (See #3 below)*

## *2) Intergroups requiring certificate of insurance for an event*

*a) The intergroup should have their liability insurance agent add events to the definition of general intergroup operations. Therefore, the event(s) would be covered under their general liability policy.*

*b) The intergroup can contact the insurer of the event location and request to be placed on the location's policy as an additional insured.*

*c) Separate event insurance can be purchased. Costs will vary significantly, depending on the length of event, number of attendees and type of event. Contact a business insurance agent and request event insurance.*

## *3) Intergroups requiring liability insurance to cover affiliated meetings*

*The World Service Office insurance agent is working with an insurance underwriter to develop a package plan that would allow an intergroup to purchase a liability policy covering meeting locations and general operations including special events. Costs for this are still undetermined as this is a unique policy structure. Under this plan, the intergroup would contact World Service agent directly and the agent would work with the intergroup to find the best and least expensive policy option(s). In some cases the cost would be based on the number of locations requiring certificates of insurance, in other cases costs will be for an annual premium covering a larger number of affiliated meetings. Intergroups can contact World Service Office agent contact for additional information.*

*b) Intergroups can contact a local business insurance agent and request information and pricing for liability insurance coverage for the intergroup with certificated policies for its affiliated OA meeting groups.*

*You can also read the section titled "What about Insurance Requirements for a Group" in the [OA Handbook for Members, Groups, and Service Bodies: Recovery Opportunities](#)*