

Knowledge-Based Decision Making (KBDM)

to reach an informed group conscience

Topic title: Online Area Contributions

To add to this KBDM document, please email
Pebble B., Budget & Finance Coordinator, at budgetandfinance@la-al-anon.org

Date started: November 14, 2020

Updated:

Disposition:

1. KBDM (Online Area Contributions) originated with Budget and Finance Committee Thought Force
2. Budget and Finance Committee Thought Force places document on website for AWSC members to reference
3. The AWSC will determine when to post the document for the Assembly Members to reference

Topic:

Should Louisiana AFG Area Assembly, Inc. add an online payment system for Groups and members to make contributions?

Framing:

At the November AWSC meeting the Budget and Finance Committee (as a Thought Force) was charged with beginning a KBDM document for determination if Louisiana AFG Area Assembly, Inc. would benefit by using an online payment system in addition to direct contributions by check to the Area Assembly Treasurer.

Background Information:

We must keep in mind that Louisiana AFG Area Assembly, Inc. is a 301 (c) (3) and must operate under laws at all levels of government for organizations exempted under this status.

When the Public Health Emergency Proclamation went into effect on March 11, 2020 by the Governor, all face-to-face AFG meetings in Area 22 were suspended. At the time it was thought would be for a temporary time period.

As the time frame of the Proclamation was extended multiple times, many Groups began to meet by electronic meetings (either online meetings or group conference telephone meetings). Electronic meetings presented challenges to Groups in many ways but one impact was the ability to “pass the basket” to secure funds for the Group’s expenses. Additionally, with the multiple weather events that impacted Members in Area 22 (particularly our Area Treasurer) the ability to receive contributions by mail for periods of time was suspended.

The Elements of KBDM

- Open communication between leadership and membership
- Dialogue before deliberation
- All those involved in the decision will have full access to all information.
- We have confidence in the competency of our partners—presume goodwill.
- We exist in a culture of trust.

The KBDM Questions

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1. What do we know about our membership's needs, wants, and preferences that is relevant to this discussion?

1. The Proclamation continues so a more effective method for Groups and Members to make contributions to the Area Assembly needs to be explored.
2. Members have asked if there is a way to contribute online numerous times.
3. Some Groups are currently using (in addition to checks made payable to their Treasurer) on line payment methods for the Group's needs.
4. Groups and members need a safe, prompt, reliable and efficient method to donate monies to Louisiana AFG Area Assembly, Inc.
5. Groups that are meeting electronically in the Area 22 vicinities have been using EFT for several month. This shows multiple members and groups are willing to support an online payment system.
6. Groups could use anonymous accounts for EFT that may protect anonymity and results in unique identification.

2. What do we know about our resources that is relevant to this discussion?

1. Presently the only way Groups or members can make contributions to the Louisiana AFG Area Assembly, Inc. is by sending the contributions by USPS to our Treasurer or presenting contributions in person to the Treasurer at Area Assembly.
2. Many contributions are small and during this Health Emergency averaged 5+ contributions monthly; however, when face to face meetings resume, we anticipate more contributions per month.
3. Groups and members may be more apt to make contributions using an online platform.
4. Usage of an EFT process could reduce errors of posting contributions.

3. What do we know about our environment that is relevant to this discussion?

1. The future of our culture is becoming more and more electronically driven.
2. For AFG to come back from COVID or other natural disaster requires all of us pitching in and for us to believe the organization will come back despite the setbacks facing AFG today.
3. In today's electronic world there are many online payment systems that can be used for contributions.
4. Cash online applications (apps) such as Venmo, Zelle, etc. operate as peer-to-peer money transfers and may require connections between the contributor's and the receiver's bank accounts that may require both participants to be signed up to their particular digital payment network. Drawbacks (risks) to these apps are there is no way for the contributor to cancel a payment if the money is sent to the wrong person or business if their app is hacked or their phone is stolen and these digital networks have no accountability (which banks also love) because if the consumer is scammed or exposed, they are out the money and not the digital payment system or the banks.
5. WSO contributions can be made online by credit cards, recurring monthly bank drafts and using PayPal. This seems to indicate PayPal online system is probably a trusted vendor.
6. PayPal does offer an account for nonprofit organizations at a lower cost. The organization must have a verified nonprofit status. PayPal will not reduce the amount they will receive for their service to the nonprofit until they verify tax exempt status at all levels of government. They will allow you to wait until they confirm the nonprofit status before the organization begins using it.

PayPal Pros:

- Donation button can be added to any website
- Donors do not need to have a PayPal Account to donate

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- Money donated is easily transferred to checking Account

PayPal Cons:

- Confirmation of the contribution comes by email & could be auto-filed to the contributor; but confirmation could end up in the contributor's spam so may it may be difficult for the contributor to receive a receipt.
- Not everyone is comfortable with the process of online financials.
- Cost for every transaction made will not be seen so the Area may not see entire amount of the contribution
- Contribution COST:
 - 2.9% plus \$0.30 every transaction if not verified as nonprofit
 - *EXAMPLE - \$100 contribution would be \$100 minus 2.9% (\$2.90) minus \$0.30 so total would be \$96.80*
 - 2.2% plus \$0.30 every transaction when verified as nonprofit
 - *EXAMPLE - \$100 contribution would be \$100 minus 2.2% (\$2.20) minus \$0.30 so total would be \$97.20*

4. What are the ethical implications of our choices (the pros and cons)?

1. **PRO:** It would be platform open to more Members since many do not use paper checks for banking or use the USPS. **CON:** What is the cost for using the online system to our "bottom line" contributions.
2. **PRO:** Using this process will provide for more precise accounting such as determining who provided the contributions.
3. **PRO:** Groups' and members' contributions are appropriate expression of our spiritual principle of being self-supporting to ensure that Al-Anon will continue to be available to others.
4. **PRO:** Recognize sometimes a non-profit organization has to spend money to obtain contributions by looking for new tools and approaches as Trusted Servants.
5. Use AFG Pamphlet S-73 (Resolving Conflicts Within Al-anon). Trusted Servants talk with others assuming good will and listen to the membership including the minority voices to grow AFG in new ways
6. Use of an EFT platform is a change to Louisiana AFG Area Assembly, Inc. money handling processes. Adopting this new practice relies on our Trusted Servants to have oversight at all levels and to decide to continue or to rescind EFT usage as necessary.

5. What do we wish we knew but don't?

1. If the online payment systems would open ways to contribute for Groups and Members so they can express their gratitude by giving generously.
2. If using this method of fund transfer would be profitable for Area assembly in the long term
3. It has been recommended that two EFT forms be used such as PayPal and Venmo. This is recommended since some members or groups may currently be using these forms of EFT platforms.