NASCONA ASC October 2, 2022

Jeremy opened meeting with Serenity Prayer

Chuck read 12 Traditions

Luke read 12 Concepts

Jeremy read purpose of ASC and Unity Statement

Jeremy read Service Prayer

Scott called role of Groups

Groups present:

BLTN

Happy, Joyous and Free

New Hope

RIP

Show Up and Grow Up

Scott called role of Trusted Servants

Trusted Servants present:

Facilitator – Jeremy

Treasurer - Debbie

Co-Treasurer - Vicki

Recorder – Scott

RCM1 – Shawn

H&I – Robert

PR – Larry

Activities Co Facilitator – Justin Michelle

Webservant - Ron

**REPORTS**

Scott read Recorders report – see Sep 2022 ASC Minutes

**Treasurer Report**

**Treasurer Report**

**October 2, 2022**

Bank balance: $7,826.11

Prudent Reserve: ($900.00)

FBTL: [$1,500.00]

BALANCE: $5,426.11

Checks not cleared:

None – all have cleared

Deposits: $285.60 TOTAL

$207.60 (cash)

$0 (Square)

$78.00 (Venmo)

Deposits not credited: N/A

**WORKING BALANCE: $5,426.11[[1]](#footnote-1)** [EVERYTHING BALANCES]

I just realized I did not make the quarterly payment to Region, and will do so today.

To circle back… I haven’t seen the minutes from last month, but these two issues need to be addressed:

1. Checks are being made out to NASCONA, but our bank account says “Northside Area of Narcotics Anonymous.” This was my error. When I obtained the Federal Tax ID, that is the name I used. I am sorry.

I can try and correct the issue with the Feds. Please let me know how we want to proceed.

1. Our quarterly payment was due to World last month, per our policy (Article VI, Section A(9)).

I previously forwarded the response from World regarding the loan concerns, and have included it below.

The Area needs to either make a proposal regarding withholding funds from World, which would be a policy change that needs to go back to the groups; or, make the payment to World.

Hello Debbie  – Thank you for writing to NA World Services and sharing your concern. We are happy to offer some information may prove helpful. As a part of NA and the NA service structure, NA World Services is accountable to the collective conscience of the NA groups by way of the World Service Conference. As you noted, NA World Services has applied for and received loans through the Payroll Protection Program (PPP). Attached is a history of what has been reported to conference participants (CPs) and in CP webinars, and to the fellowship in NAWS News. Jack H. from the World Board described the purpose of those loans in one of the early CP webinars, below.  
  
"At the time the Payroll Protection Program was created, it was announced that the goal of the program was captured in its name: to protect paychecks. If a business met certain criteria on how the money they received was used, so that the spending achieved the government’s goal of keeping workers from receiving unemployment and keeping the economy stable, that all or a portion of the amount received could be reduced. The credit the government would reduce the principal by is based on achieving those goals."  
  
There is much more said about this issue in the attachment, and I encourage you to read it and let us know if you have questions.  
  
Thanks again for writing.  
  
Warm regards,  
  
Steve Rusch  
NA World Services  
[stever@na.org](mailto:stever@na.org) | [www.na.org](http://www.na.org/)  
  
[www.na.org/aboutus](http://www.na.org/aboutus)  
Instagram: @narcoticsanonymous  
Contribute: [www.na.org/contribute](http://www.na.org/contribute)  
  
-----Original Message-----  
From: Debbie Gaunt <[doodlegaunt@gmail.com](mailto:doodlegaunt@gmail.com)>  
Sent: Sunday, August 07, 2022 3:03 PM  
To: World Board <[WorldBoard@na.org](mailto:WorldBoard@na.org)>  
Subject: Questions about federal loans  
  
Hello!  
  
Our Area, the Northside Area (a suburb of Houston), has recently had concerns about World’s handling of loans taken out during the pandemic.  I am trying to obtain information and insight into the actions of the World Board to relay to my Area.  
  
It is our understanding that World took out two loans during the pandemic - one that needs to be paid back, and one that does not.  
  
It is also our understanding that World acted on its own accord when taking out the loans (receiving outside funds), without asking for permission/approval or the conscience of NA (even at a Zonal or Regional level).  
  
The main concerns of the Area are:  
  
1) that we are fully self-supporting, declining outside contributions, but took money from an outside enterprise; and  
  
2) that the NA body was not asked about taking out the loans, and presumptively will be responsible for paying them back.  
  
3) does the World Board consider itself a part of NA, or a separate entity?  
  
 At this point, the Area has decided to withhold donations to World until we receive information and/or an explanation as to what and how things transpired.   
  
We understand that business decisions had to be made, but we would like additional information as to how things came about, and responses to the above concerns.  
  
Best regards,  
  
Debbie G.  
832-722-6460

**Oct 2020 CP Webinar**

**Hi everyone, I’m Jack and I’m an addict and, as you heard, I recently became the Treasurer of**

**the NA World Services, Inc. I want to discuss the world board’s decision to participate in the US government programs that were available to many for-profit and non-profit businesses as a result of the global pandemic. I know many conference participants may not be familiar with these programs, particularly those of you who live outside the United States.**

**In the spring of 2020, when COVID-19 devastated the US economy as it hurt economies around the world, several US government programs were quickly enacted. These included the**

**Economic Injury Disaster Loan or EIDL and the Payroll Protection Program or PPP. Both**

**programs offered low-interest loans to qualifying entities. The primary difference is the EIDL**

**program included up to a $10,000 grant as well as a long-term, low-interest loan with an**

**amount that was capped shortly after the program began at $150,000. In contrast, the PPP**

**program offered a short-term, low-interest loan, a portion of which could be reduced, subject**

**to meeting certain criteria.**

**The purpose of the program is to keep workers off unemployment and keep the economy**

**stable. The PPP amount that a business was eligible for was solely based on the amount of**

**wages for which social security taxes had already been paid in the previous year. At the time**

**the Payroll Protection Program was created, it was announced that the goal of the program was captured in its name: to protect paychecks. If a business met certain criteria on how the money they received was used, so that the spending achieved the government’s goal of keeping workers from receiving unemployment and keeping the economy stable, that all or a portion of the amount received could be reduced. The credit the government would reduce the principal by is based on achieving those goals.**

**As we have previously reported, the world board approved receiving $150,000 from the EIDL**

**program and $676,740 from the PPP program. We also were offered a $10,000 grant from the**

**EIDL program that we did not accept.**

**In Narcotics Anonymous our 7th Tradition principle is clear that we decline all outside**

**contributions. Based on our philosophy, we did not accept the $10,000 grant, as we believed it could constitute accepting an outside contribution.**

**We know we must decline all outside contributions, so the question the board will need to**

**answer soon is this: If we accept the credit to our loan from the PPP program are we accepting an outside contribution? As NA World Services treasurer, my recommendation to the world board, and to all of you, is that we accept this loan reduction. I don’t believe taking this credit is accepting an outside contribution.**

**My reasons for believing this are simple: this is a credit given to any business entity that had**

**employees for which social security wages were reported and paid, and the credit is only**

**available to businesses that use the PPP funds to protect paychecks and keep workers paid by**

**their employer, instead of receiving government unemployment compensation. The loan**

**reduction is essentially a credit of taxes previously paid, in that the amount that any entity will have credited to their PPP principal balance is approximately the same or less than the social security and other government employer taxes that were paid in the previous year for each employee. In other words, the credit we would take will not exceed the amount of money previously paid in taxes.**

**As a state and federally recognized non-profit entity (in the US we are federally recognized as a 501c3), NA World Services enjoys many financial advantages such as not paying state or federal income taxes on that portion of our income that exceeds our expenses, as well as other benefits and deductions available to all qualified non-profit business entities. These benefits are not an outside contribution. They are benefits available to all qualified non-profit entities.**

**Accepting legitimate financial advantages and tax deductions as part of our business practices is essential for an organization like ours that, among many other things, distributes literature**

**around the world. The same logic naturally extends to the portion of the PPP credit NA World**

**Services is eligible to receive, which is why I recommend that we accept it.**

**While I have your attention, I want to take a moment to remind us of how important it is to**

**change our culture in Narcotics Anonymous regarding the principle of self-support. While our**

**Fellowship is generally excellent at declining all outside contributions, the natural corollary of**

**this is that we must receive “inside” contributions to carry out our primary purpose.**

**Historically, most of World Services’ income has come from excess revenue from literature**

**sales, not from member contributions. One thing the pandemic has made clear is that we can’t continue to rely on the sale of literature to fund the services that we provide. I know some of you are feeling a similar need on a regional level to turn away from dependence on event income to fund services.**

**Dec 2020 CP Webinar**

**Jack reported to you on the last Conference participant web meeting that, as the Treasurer of**

**NA World Services, he was recommending that we apply for the loan credit available to eligible recipients of a Paycheck Protection Program loan. The Board decided to take that**

**recommendation, and we will be applying for a credit. We expect that credit to be**

**approximately 50% or so of the amount we received, with the balance being paid back over**

**time. Jack explained the thinking behind this decision in October, so I don’t think I’ll be saying**

**anything new here.**

**The Board gave serious consideration to the concern that applying for the credit is not in**

**harmony with our Seventh Tradition, but that’s not a view that they agree with. We are**

**all—Board and staff—clear that NA must decline outside contributions. That’s why we refused the $10,000 grant we were offered. However, to accept a credit that we qualify for under the PPP program doesn’t fall into that category, in the Board’s view. The purpose of the PPP, or Payroll Protection Program, is to guarantee the paychecks of employees that are still working and keep them off unemployment. The program was only available to businesses who had paid social security wages, and the credits are approximately the same or less than the social security and other government employer taxes that were paid in the previous year. In this sense, the credit is equivalent to a tax credit.**

**It is not uncommon for NA, at every level, not just World Services, to take advantage of credits and discounts when we are able to. Nonprofit status itself affords a tax abatement for World Services and for many other incorporated NA service bodies and conventions. The total tax credits can be as high as 40% in some states. For us in California, it’s about 28% of taxable income. Another common example is credits and discounts on meeting spaces. We take advantage of these offers regularly when planning the World Convention, and we know regions and areas do similarly. At a Group level, our meeting spaces are often negotiated at a heavily reduced rate, or offered in exchange for literature or help fixing up the facility. Accepting credits and discounts, which are not contributions, is the financially responsible thing to do in these cases; it’s par t of standard business practice for nonprofit organizations, and we see applying for the PPP credit in that light.**

**We are also prepared to apply for phase two of the PPP program if one is rolled out and we**

**qualify.**

**Dec 2020 NAWS News**

**PPP**

**As many of you know, World Services received money as part of the Paycheck Protection**

**Program rolled out by the US government in response to the economic crisis brought on by**

**the pandemic. The goal of the program was to keep workers off unemployment. The amount**

**of money a business was eligible to receive was based on the amount of wages for which**

**social security taxes were paid in the previous year.**

**Businesses that use the money to “protect paychecks,” that is, to keep workers off**

**unemployment, can apply for a credit to reduce the principle of the loan amount. World**

**Services will be applying for a credit, which we expect to be approximately 50% of the amount we received.**

**We have heard concern from some members that applying for the credit would not be in line**

**with the principles of the Seventh Tradition. We talked about this at length in our Board**

**meetings, and in the end, we determined that applying for the credit does not undermine any**

**of our spiritual principles. We are committed to declining outside contributions—that is not**

**negotiable, but we do not believe accepting a credit that we qualify for under the PPP program falls into that category. As we said, the program was only available to businesses who had paid social security wages, and the credits are approximately the same or less than the social security and other government employer taxes that were paid in the previous year. In this sense, the credit is equivalent to a tax credit.**

**Taking advantage of credits and discounts is good business sense, and it happens at every level of NA service. Incorporated NA service bodies and conventions benefit from tax credits that can be up to 40% in some states. In California, where World Services is incorporated, the credit is about 28% of taxable income. The World Convention and many other NA conventions use credits and discounts on meeting spaces when planning these events, and even many NA groups often negotiate meeting spaces at a heavily discounted rate. 4**

**Accepting credits and discounts, which are not contributions, is the financially responsible thing to do in these cases; it’s part of standard business practice for nonprofit organizations, and we see applying for the PPP credit in that light.**

**We are also prepared to apply for phase two of the PPP program if one is rolled out and we**

**qualify.**

**July 2021 NAWS News**

**Financial Update**

**More than a year into the pandemic, our most pressing news continues to be financial.**

**First, the good news—for the first time in decades, contributions represented 25% of our**

**income during the last fiscal year. That’s up from 10% the year before. Our gratitude is**

**boundless. Thank you everyone who has contributed and helped us stay afloat for the past 16**

**months.**

**NA members tend to be good in a crisis, and contributions are higher than they have ever been before. However, that is only part of the story: Literature sales continue to be depressed. It is going to take us a long time to build back from the financial crisis of the past year. Until NA meetings worldwide are taking place in-person again, we do not expect literature sales to be anything near what they used to be. Without the PPP program and contributions from members, groups, and service bodies, we would be in dire shape. Our reserves have kept us functioning, and building them back up is part of regaining the ground we have lost.**

**So all of that is to say, thank you and keep it up!**

**RCM** – Sean

Nothing new to report. SPAD hardcover available. Email available daily.

There are proposals from TBRNA. Sean will clarify next ASC.

**H&I –** Robert

Held H&I subcommittee meeting before ASC. Meetings continue at Holliday, Luther and Huntsville Units and Camp Valor. Distributing literature. Robert to order more JFT. H&I growing slowly.

**PR -**  Larry

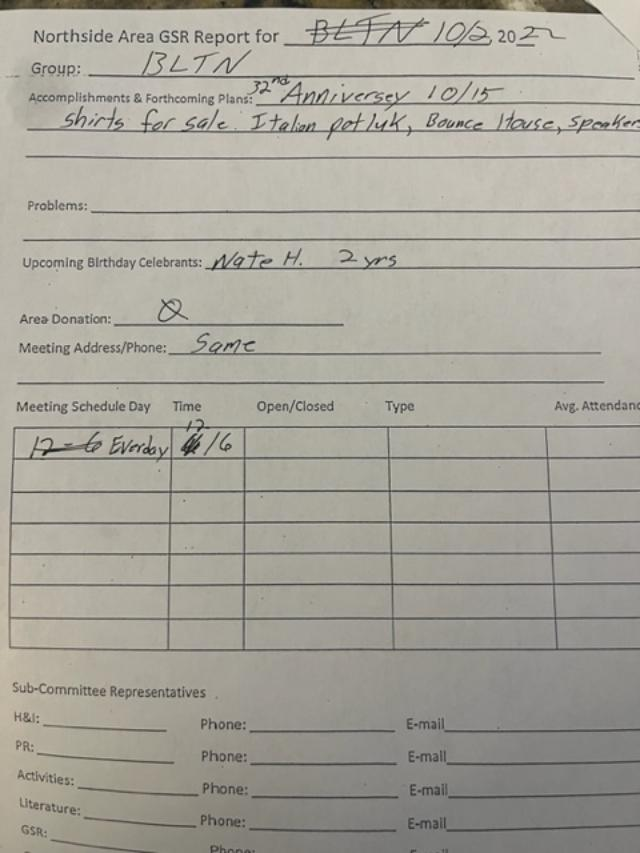
Meeting schedules are printed. We’re going to get subcommittee meetings listed and get HASCONA’s QR code.

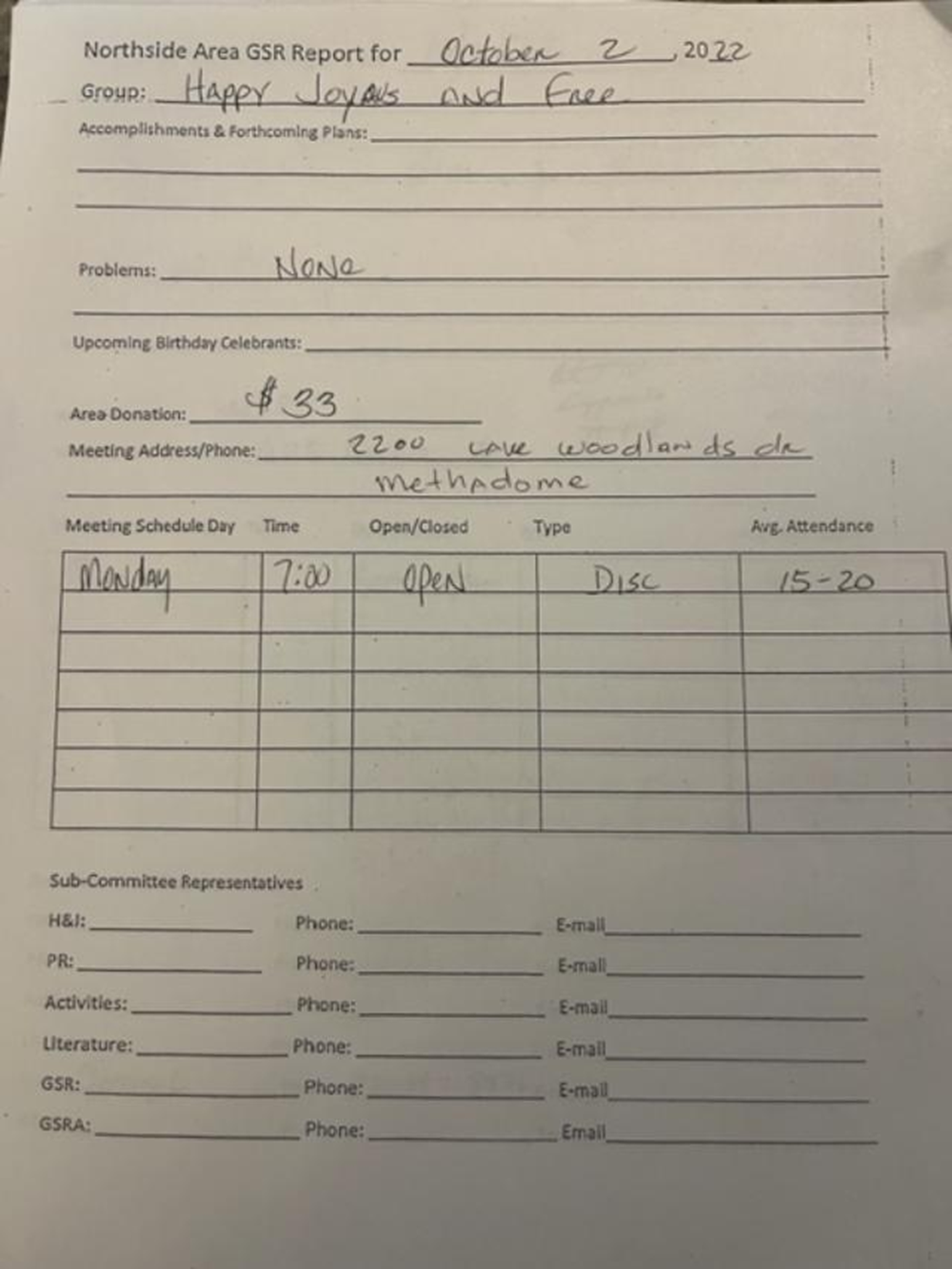
Billboards are expensive. $1200-$1700

4x8 vinyl composite sign @$480. Next step would be to find a place to put signs.

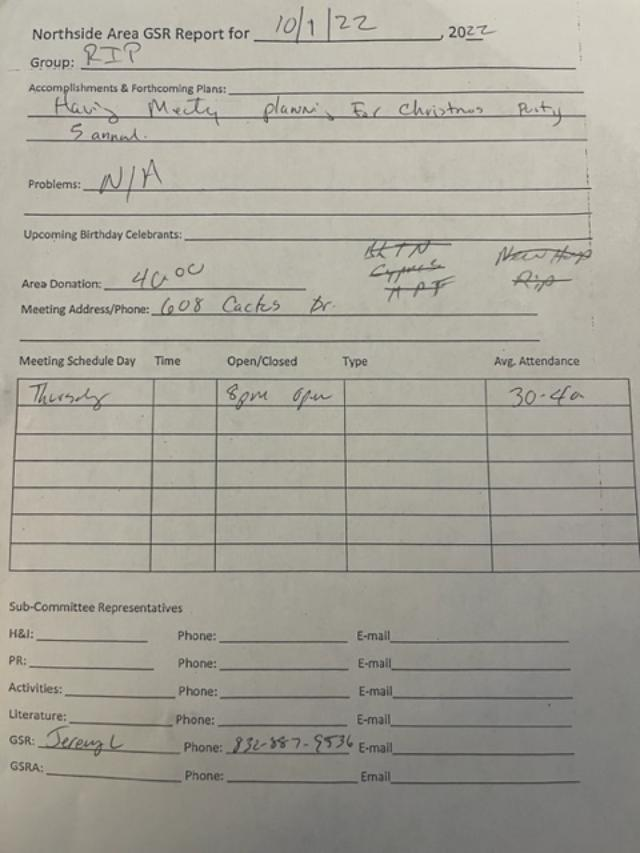
John volunteered to help with sign.

**Group Reports**

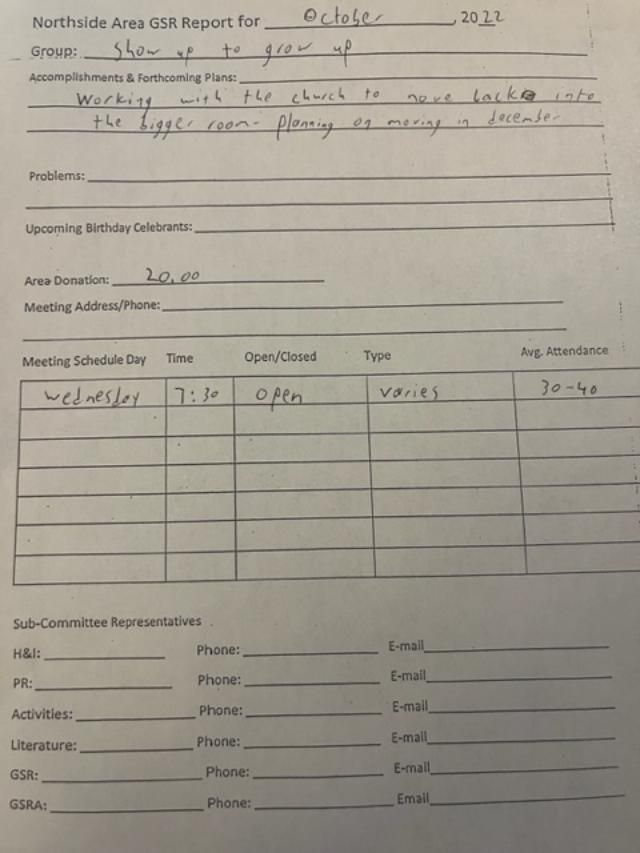
**BLTN**

**Happy Joyous and Free**

**RIP**



**Show Up to Grow Up**

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**Unfinished business**

Regional proposal to have only RCMs vote on proposals. Tabled

**Sharing**

How much to donate to TBRNA and World.

Shared about Gratitude Feast. Looks like it will be Nov 12 or 19. Jeremy will check with Conroe Club.

We didn’t get info from Glenna regarding reserving spots for 2023 FBTL. Need to get on that NOW.

Talked again about Loans taken by NAWS.

Larry pointed out that NAWS money comes mostly from book sales. They should stop taking donations.

Debbie points out that 20% from donations is still a lot.

Vicki says that NAWS is supposed to answer to groups. More transparency needed.

Robert says we are responsible to the addicts who contribute for where their money goes. Wer have transparent accounting, why don’t they?

**New Business**

Larry proposed we create subcommittee budgets. Accepted

H&I – 1000

PR – 500

Activities - 500

**Elections**

1 open positions – Literature Review

Next ASC NOV 6, 2022

Recorded to the best of my ability.

Scott Caggiano

NASCONA Recorder

1. All bank statements and spreadsheets are available for review at anyone’s request. [↑](#footnote-ref-1)