

GA Restructuring Committee

Final Report

For Presentation to the Board of Trustees

Pleasanton, California

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1 - COMMITTEE MISSION AND RESPONSIBILITIES

At the May 2023 meeting in Cleveland, the Board of Trustees empowered a committee to investigate the issues and concerns with the current structure of the Fellowship. The committee's objective was to present a plan assessing the business and governance factors that may benefit the Fellowship today and recommend changes to the governance structure that could improve both the business and Fellowship components and ensure the longevity of GA. The analysis, subsequent observations, and recommendations focused on the Board of Trustees (BOT) and the Board of Regents (BOR).

Before considering recommendations for the future, the Committee focused on developing a comprehensive analysis of the BOT and BOR roles and responsibilities since the official inception of the BOR in 1963. This analysis included a review of the Articles of Incorporation, By-laws, and the dedicated roles of the BOR and the BOT as they were envisioned initially and where they have evolved to today. Then, it would be possible to consider how the existing structure of GA would fare in the rapidly changing world of the compulsive gambler. The Committee's approach was as follows:

- Identify business and structural issues impacting GA's efficiency or limiting organizational growth today.
- Consider how trends in the gambling addiction landscape (demographics, internet, competing therapies, etc.) will affect the growth of GA in the future.
- Provide recommendations intended to address both the short and long-term viability of GA.

The output of the Committee included:

- Collating the observations and issues that are identified by the detailed analysis into discreet categories of like concerns
- Publishing a list of the items that need to be addressed by category
- Making recommendations that address the problems that have been identified
- Publishing a final report that articulates the background and rationale for the observations and recommendations

The Restructuring Committee approached its task with considerable effort and was not constrained by current structure or personalities. It would be easy to dismiss the efforts of the Committee as a power play or turf war between the BOR and BOT. However, two observations came out of the analysis that address this point:

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- The committee analyzed both boards equally in determining issues and challenges impacting the organization's efficiency, viability, and ability to carry out GA's primary purpose.
- Based on the current trajectory in membership and financial prospects, we determined that maintaining the status quo puts the entire Fellowship in danger of being unable to fulfill its primary purpose and therefore, both governing bodies needed to change the way they operated.

2 - CLARIFICATION AND UPDATING THE ARTICLES OF INCORPORATION

A non-profit corporation such as Gamblers Anonymous must have a purpose statement in its Articles of Incorporation. Anything stated in Bylaws that follow must be consistent with this stated purpose. When the two documents are not consistent, one of them must be amended or re-written.

Although Gamblers Anonymous came into existence in 1957 and was under the guidance of a so-called “Board of Trustees,” it was not incorporated as an entity until 1964. In performing a careful review of the Articles of Incorporation along with supporting documentation provided to the IRS in order to attain non-profit status, the committee found two significant flaws and contradictions which in turn, created the appearance that what we said was not necessarily what we did. For example:

Article II of the Articles of incorporation states that the specific purpose of the corporation known as Gamblers Anonymous “...is to engage in the rehabilitation of compulsive gamblers who are suffering from the disease of gambling; and, to carry the message of Gamblers Anonymous through the medium of personal contact, telephone, mail, newspaper, film, radio, television and by any other method can be utilized to assist those persons with a gambling problem, to recover and once again live a normal life...”.

However, this so-called “purpose” is contradicted in a number of ways:

In supporting documentation, we provided to the IRS in 1967 in order to attain non-profit status, we **specifically** represented that only the business office (now known as the International Service Office or ISO) is incorporated and the Fellowship itself is not incorporated at all but rather, is guided in its affairs by a “Guidance Code”. This means the corporation and its Directors (now known as the Board of Regents) only oversee the operations of the ISO and neither they, nor the ISO, engage in any direct rehabilitation of compulsive gamblers.

Our Bylaws further go on to state that “...the Fellowship (“the non-business aspect”) of Gamblers Anonymous shall be under the guidance of a Board of Trustees...”. This statement, in and of itself, contradicts the purpose stated in Article II of the current Articles of Incorporation.

Finally, with regard to the Board of Regents, their standing rules specifically state that “...the sole purpose of the Board of Regents is to supervise the operations of the International Service Office (I.S.O.) and see that it is operated effectively and efficiently...”. Nowhere does it mention any role in the rehabilitation of the compulsive gambler.

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Article XII of the Articles of Incorporation states that “...in no case shall the number of Directors be less than 3 or more than 7.” While it is commonplace and acceptable for a new corporation to list a range in the number of Directors to provide flexibility during its nascent period, the corporation has exceeded this number (currently 9) for decades yet no attempt was ever made to amend this with the California Secretary of State. It resides only in the Bylaws. As in the case with Article II, this creates an inconsistency between what we have represented to the California Secretary of State and what we actually do. Of particular note is that the only time our Articles of Incorporation have ever been amended with the California Secretary of State is when we changed Article I from the Gamblers National Service Office to the Gamblers International Service Office in 1988!

Based on the above, we strongly recommend that the Board of Regents retain an attorney who specializes in non-profit organizations such as Gamblers Anonymous, and who is not a member of Gamblers Anonymous, to review and re-write our Articles of Incorporation to make them consistent with the Fellowship as it exists today and further, to review our Bylaws to make sure they are both adequate and consistent with our Articles of Incorporation.

03 – IMPACT OF CHANGES IN THE DEMOGRAPHICS OF THE FELLOWSHIP

An estimated 2% to 3% of U.S. adults have a gambling problem. However, the portion of college students with a problem is potentially twice that number – up to 6%. As stated previously, 64% of compulsive gamblers now are younger than 35 years old, including more than 500,000 12–17-year-olds.

A major driving force in this change in the demographics of compulsive gamblers is a direct result of the rapidly growing availability of internet gambling, sports betting, cryptocurrency and stock trading. These gambling avenues cater to the more technology-savvy individuals, who happen to be, disproportionately, younger adults. According to numbers supplied by The Council on Compulsive Gambling of NJ and the New Jersey Health Department, calls to 800-GAMBLER have increased by nearly 200 percent, from just 49 per month in Fiscal Year 2018 to 147 calls per month in 2022. The data suggests that internet and mobile betting is driving much of the increase, with 639 calls about online casinos and sportsbooks in Fiscal Year 2022. That represents more than a 300% increase over Fiscal Year 2019.

Consequently, GA is seeing an increase in the number of younger gamblers coming to meetings, but likely, only the tip of the iceberg. However, this younger demographic also presents additional challenges to consider if GA wants to successfully carry its message to this fast-growing demographic. Below are some of the broader questions to consider:

- What faces do younger people see when they attend a meeting? How do they relate to other members?
- Are their attitudes toward 12-step programs preventing them from seeking GA help?
- Are Zoom meetings more acceptable for this age group? Are Zoom meetings as effective as in-person meetings for this age group?
- Should GA consider making all literature available via the internet to accommodate the way many young adults prefer to receive information?
- How does Unity Step 11, attraction rather than promotion, impact GA's ability to carry the message to the ever-growing number of younger gamblers?
- Is the lack of availability of local GA meetings near college campuses inhibiting new member growth, especially in smaller communities?

The Committee identified that making literature available via the internet was a potential solution to accommodating how this younger group prefers to get information. However, before focusing on one concern, it realized that the ability to attract and retain younger members must be part of an overall integrated approach. No one will be interested in our literature if they don't believe GA is right for them. Within the current organization and

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structure of GA, no forum or group is empowered to study the issue of changing demographics and its impact on the future of GA.

Therefore, this Committee strongly recommends that the issue of attracting and retaining younger gamblers, particularly those under 25, be seriously addressed within the context of an overall strategy and plan developed by a Strategic Planning Group (SPG) to be created (see next section). The SPG should have representation from the BOR and BOT and other interested members from the Fellowship. The SPG should seek opinions, insights, and advice from relevant outside experts. The SPG should work with a sense of urgency and be prepared to offer recommendations to the BOT within a year of formation. As before, the plan must be approved by the BOT before implementation.

4 - NEED TO DEFINE THE RESPONSIBILITY FOR VISION AND STRATEGY

The mission of the current BOR and BOT is focused on maintaining the Fellowship and business interest of GA. Unfortunately, no group within GA is responsible for developing a vision for what it means “to carry its message to other compulsive gamblers who still suffer” or is responsible for articulating a comprehensive and cohesive strategy necessary to grow the Fellowship. If one asks ten GA members how GA accomplishes its primary purpose, there will likely be ten answers.

Over the past 20 years, the number of compulsive gamblers has increased three-fold in the U.S. Yet, the membership in GA has decreased over this same period. Secondly, the number of entry points for a potential compulsive gambler has exploded. These entry points include the vast number of casinos outside of Vegas and Atlantic City, internet gambling and sports betting, fantasy sports, the lottery, scratchers, cryptocurrency, and the stock market. The nearly unlimited availability of new gambling opportunities has also spurred a transition in the compulsive demographics. The incidence of gambling addiction by age shows that 64% of compulsive gamblers are under 35 years old, with the highest incidence, 7.1%, in the 18 -24 years group. Therefore, not only are the numbers of compulsive gamblers increasing, but the demographics are now significantly skewed to those younger than 35 years old. These statistics lead to two questions that impact the future of the GA program:

1. If the number of compulsive gamblers has increased so significantly, then why hasn't GA membership increased accordingly?
2. If the majority of new compulsive gamblers are now under 35, does the current GA attraction rather than promotion philosophy, access to literature, internet use, and meeting format meet the needs of this younger demographic?

Answering these questions requires a different mindset and focus. For GA to reverse its current trajectory, knowing that these issues simply exist will not be sufficient; it will need an effective action plan.

An organization that cannot determine or influence its destiny is subject to forces beyond its control and will eventually fail. Within GA, there is no forum where organizational threats and opportunities can be studied and discussed proactively. Therefore, GA is primarily “reactive” to unforeseen factors impacting the Fellowship. For example, during the pandemic, GA was challenged with meeting the needs of compulsive gamblers without in-person meetings. In the early months of the pandemic, ad hoc Zoom groups were forming with little or no direction from the Fellowship. GA was slow to establish coherent guidelines and procedures and could

only be reactive rather than demonstrate its leadership in this transition. In addition, an unintended consequence of moving to Zoom meetings was the substantial reduction in donations to the ISO. Had a strategically focused team been in place, it is more likely that problems and issues associated with going to Zoom meetings could have been anticipated, resulting in more timely and efficient communication to the groups affected.

Therefore, the Committee strongly recommends forming a Strategic Planning Group (SPG). The group would report through the BOT. The SPG would meet at least quarterly. The membership of the SPG would consist of GA members with significant abstinence time and business and strategic planning expertise, the Chair of the BOT and BOR (or designates), and outside gambling addiction professionals. The SPG's initial focus would be to analyze the Strengths, Weaknesses, Opportunities, and Threats (SWOT) of the current GA organization and Fellowship. The SPG would present the findings to the BOT/BOR and recommend items of critical concern based on the analysis. The SPG would then develop the strategy and tactics for dealing with the broad opportunity or threat. The SPG would present interim findings and plans at the biannual BOT meetings, and the BOT and BOR would approve any final implementation plan.

5 - ADDRESSING THE COMPOSITION AND EXPERIENCE OF THE BOR

The role and responsibilities of a nonprofit Board of Directors such as our Board of Regents (BOR) can be summarized as acting as the fiduciaries who steer the organization toward a sustainable future by adopting sound, ethical, and legal governance and financial management policies, as well as by making sure the nonprofit has adequate resources to advance its mission. Contrary to what is written in Unity Step 2, our Board of Regents is responsible for the governance and enforcement of its policies and adherence to state and federal laws.

Historically, GA's BOR was elected by the Board of Trustees (BOT) to oversee the International Service Office (ISO). As established in 1967 by formally becoming a nonprofit entity, the BOR was responsible for the governance and oversight of the corporation (ISO). The BOR also took responsibility for the day-to-day operations of ISO which led to the need to have locally available board members. Maintaining the ISO operations at the BOR level rather than evolving toward a full-time management-run company detracted from the board's equally important strategic planning, fundraising, and governance functions that ensure the ISO is well-positioned for current and future challenges.

As GA contemplates its future role in reaching out to the compulsive gambler who still suffers, it must also consider how it picks the leaders of the nonprofit corporation. The challenges today will continue to grow and demand solutions that are unlikely to be found without upgrading its chosen leadership's business, entrepreneurial, finance, fundraising, publishing, and nonprofit experience.

How does GA upgrade the skills available to the BOR? Through the BOT voting process. Voting for BOR candidates is primarily based on little information other than the abstinence date and positions held within the Fellowship. Any GA member with at least two years of abstinence can nominate themselves for election to the BOR. While abstinence and service are essential to personal recovery, it doesn't allow one to assess the specific business applicable skills an individual would bring to the BOR. Options this committee believes the BOT should consider include:

- Establishing a committee to identify the skills and experience desired at the BOR that will best serve the Fellowship.
- Having that committee vet proposed BOR candidates before the biannual BOR vote at the Trustee meeting.

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- Having that committee ascertain the skill sets of prospective BOR candidates, publish their findings, and present a prioritized list for the BOT's consideration.

It is also recommended that to enable more well-qualified candidates to become BOR members:

- The BOR moves toward an operations model that requires fewer BOR members to be located within a certain distance of the ISO.
- The BOR begin using teleconferencing for all BOR meetings.
- Eliminate the requirement for BOR members to be on-site for the scheduled meetings.
- As the BOR transitions to focusing on ISO oversight, fundraising, strategic planning, and other important non-operational roles and responsibilities, it would be more appropriate to move to quarterly meetings rather than monthly.

6 - EXPANDING BOARD PERSPECTIVE AND KNOWLEDGE

We are brought together by our common addiction no matter what type of gambling wreaked havoc in our daily lives. As we first entered the program, there was solace and comfort in our recovery when we realized that others are “just like me.” However, such homogeneity in thought and experience may be an obstacle in business where heterogeneity of thought and experiences can lead to better, more timely solutions to problems and opportunities. The requirement that each BOR member be an active member of the Fellowship constrains or even prevents us from seeing different perspectives that are necessary for the growth and vitality of GA.

Most nonprofit organizations recognized the pitfalls of having only its members serve on its Boards of Directors. For example, of the 21 Directors of Alcoholics Anonymous, seven come from outside their Fellowship. As discussed in the previous section, upgrading the skills of the BOR members is a significant start toward broadening the base business experience and understanding of the BOR. Adding outside business and professional expertise is the next step toward building a BOR that exposes everyone to broader perspectives and viewpoints unavailable today.

The problems and challenges faced by GA and the BOR will always seem new and unique as the organization encounters them for the first time. However, many individuals or organizations, both within the addiction community and beyond, have likely faced similar situations. Having multiple perspectives and experiences in the room exponentially expands the opportunity for strategies and solutions to be explored. As is often said, “We don’t know what we don’t know.” Increasing the number of different voices in the room is the best way to address our blind spots.

What types of outside expertise might be considered appropriate for participation in the BOR? Nonprofit CEOs and Board members, nonprofit corporate governance lawyers, nonprofit fundraising experts, addiction counselors and academics, online and other publishing organizations, and even representatives from other successful addiction programs might be considered.

This Committee believes that adding outside participation is necessary to fully prepare the BOR to meet the challenges and opportunities that present themselves now and, in the future, and recommend that the BOT and BOR seriously consider such a move.

7 - UPDATING THE NOMINATION AND BOR SELECTION CRITERIA

The Board of Regents, the business arm of the Fellowship, is a vital component of Gamblers Anonymous. Unfortunately, the current method of electing Regents is less than optimal to provide the best possible candidates to perform this service. Nearly all of these problems emanate from the way the Bylaws and Guidance Code are currently structured:

Our Bylaws require that no more than four Regents can come from outside a 200-mile radius of the International Service Office (ISO). This idea came about many years ago as a way of (a) having check signers readily available to the ISO, and (b) having a pool of Regents who could come in and run the ISO in an emergency if the International Executive Secretary was temporarily unable to carry out his or her duties. Unfortunately, this also makes our Board of Regents “California-centric” in both composition and philosophy and has the potential to eliminate many fine candidates from outside that radius. This level of restrictiveness is not good for the Fellowship.

Another serious problem with Board of Regents elections is that the Board of Trustees, who actually elect the Board of Regents, simply do not know enough about the individual nominees to make informed decisions. For example, Article V, Section 1 of our Bylaws states that candidates who meet the abstinence and meeting requirements to be a Regent shall “... submit their name, previous service as a Regent of this Corporation or as a Trustee of Gamblers Anonymous, total abstinence from gambling and home group, along with a biography not to exceed 400 words and phone number (both optional) to the International Service Office to be included on the Board of Regents ballot...”. While there is nothing wrong with this on its face, it hardly provides voting Trustees with a candidate’s suitability to manage the business office and business affairs of the Fellowship which is the only thing the Board of Regents is tasked with doing. Absent additional information, such as the person’s experience running or materially participating in a business, Regent’s elections tend to become rewards for previous service or even popularity contests rather than a vote for the most suitable candidate based on business acumen. Also, because five of the Regents must come from inside a 200-mile radius of the International Service Office, Trustees from California will likely know Regents candidates from California better than they know candidates from outside the state, and this has the potential to factor in to who they vote for. This puts otherwise-qualified candidates from outside California or even outside the United States at a disadvantage. Candidates should be elected on merit, not familiarity.

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Given these problems, our committee recommends the following remedies:

1. The Board of Regents change their method of operations such that checks no longer need to be manually signed. This can be accomplished using digital signature software. By going to this model, there is no longer a need for five (5) of the Regents to live within a 200-mile radius of the ISO as possible check signers. This also reduces, or eliminates the California centricity of the Board of regents and enhances our potential to attract candidates from other parts of the country or even internationally. Since our International Executive Secretary is now remote and the ISO is making heavy use of office personnel for its day-to-day activities, there is even less need for a majority of Regents to live proximate to the ISO for emergency purposes. All these changes can be readily accomplished through a change to our Bylaws.
2. Part of the customary 400-word biography included with the nomination should also include suitability to be a Regent based on their experience in running or materially participating in a business. In the alternative, perhaps that biography may be extended beyond 400- words to give the nominee more opportunity to provide his or her business experience to the Trustees. Perhaps a one-time “Meet the Candidates” Zoom meeting where candidates can make their cases live for being elected as Regents would be appropriate.

It should be emphasized that while business experience should not be the sole factor in determining suitability, and many fine people who lack business experience have successfully served as Regents, it does give the voting Trustee one more piece of information to make an informed decision.

8 - IMPORTANCE OF BOR VISIBILITY TO THE FELLOWSHIP

In the early steps of this committee's work, it became eminently clear that the Board of Regents effect on Gamblers Anonymous as a whole was very distinctly at the core of the vast majority of necessary changes. At the first presentation of the committee's progress in Chicago, emotional headwinds and direct opposition was voiced. The prevailing attitude was "hands off our BOR" as if to say "it's been running like this for decades so why should we change it"? This committee spent lengthy hours trying to maintain objectivity to come up with observations, findings, and results to be discussed and allow for the due diligence necessary to make the recommendations for the good of the Gamblers Anonymous family and all its connected parts. We concluded that there needed to be foundational changes in the way the Board of Regents operated for the health and wellbeing of Gamblers Anonymous. In addition to the more repetitive tasks that have become part of the monthly actions of the Board of Regents, we believe it is paramount that they also research and recommend plans and ideas for generating funds for the Fellowship. Although gambling itself is considered an "emotional problem", money is clearly the Board of Regents' problem and has been for many years. Securing a healthy and increasing stream of revenue must be one of their directives and focus.

Sadly, the Board of Regents is virtually unknown to a major portion of members of Gamblers Anonymous, especially outside California. A culture has developed over time where many of the non-California members mistakenly think that the International Service Office is the epicenter of Gamblers Anonymous, with the International Executive Secretary being the proverbial person in charge of the Fellowship. They are often surprised when they hear that a Board of Regents even exists! As a Committee, we would implore the Board of Regents to take a more active role in making the membership understand who they are and what their importance to the Fellowship. Only they can do that; it cannot be dictated from outside that Board.

9 – IMPROVING COMMUNICATION WITH BOT REPRESENTATION AT THE BOR

By definition, an *ex officio* member of a board or committee is a person who becomes a part of that board or committee by virtue of holding another position within the organization. This is very common in non-profit organizations such as colleges and universities where the President or Provost often provides guidance and input to a particular committee(s) by acting as an *ex officio* member of that committee(s). Depending on that committee's standing rules, that person may or may not be a voting member.

In our case, the Chair of the Board of Regents currently functions as an *ex officio* member of the Board of Trustees by virtue of the fact that our Bylaws call for this person to attend all Board of Trustee meetings. By custom and practice, this person sits at the head table, usually presents a report, and is free to discuss and opine on any issues that directly affects the Board of Regents or International Service Office. Treating the Chair of the Board of Regents as an *ex officio* member of the Board of Trustees adds considerable benefit to the Board of Trustee meetings because that person is present and available to provide real time input into Board of Trustee thought process and actions with regard to the Board of Regents or International Service Office.

Unfortunately, the Chair of the Board of Trustees is not afforded a reciprocal courtesy by the Board of Regents. Per the Regents standing rules, any member of the Fellowship, including the Chair of the Board of Trustees, is free to dial in to the monthly Board of Regents meetings but cannot participate unless given special permission by the Chair of the Board of Regents. This creates a serious inequality between the two governing bodies of the Fellowship and contributes to already-existing friction.

We strongly recommend that the Chair of the Board of Trustees, through appropriate changes in the Bylaws and Standing Rules, automatically be made an *ex officio* member of the Board of Regents such that this person can attend, and freely participate in, all discussions regarding an action that affects the Board of Trustees and its charge in guiding the Fellowship. The Regents, at their sole discretion, can further decide, through changes in the Bylaws or Standing Rules, whether this person will also be a voting member

10 - ADDRESSING THE ISO STRATEGIC AND BUSINESS CHALLENGES

The International Service Office (ISO) is the central office for the “Corporation” of Gamblers Anonymous and is the home base for activities of the Board of Regents. It has essentially been run the same way for decades and new ideas have typically been slow in coming. Many of our members only know the ISO as a place where they make contributions, order literature, and find out about meetings, even though it is much more than that. After a careful review of ISO operations, this committee made the following observations:

1. We believe the expense of maintaining inventory and distributing literature predominantly as hard copies is not financially sustainable. For example, our net income from literature in 2023 was approximately \$77K but that covered less than 25% of ISO expenses. This makes the Fellowship heavily dependent on contributions (which, in turn, are limited by our current interpretation of Unity Step Seven).
2. GA members fund the I.S.O. through donations but financial transparency and accountability can be better. By reading the Life Line Bulletin, members of the Fellowship obtain a general idea of how much money was donated, how much literature was sold, and how much money was spent, but there is no mention of bequests or how much money we’re earning from our various investment instruments. This leads to a mis-perception among our members that our Fellowship is supporting itself exclusively through group and Intergroup donations, Lifeliners, and the sale of literature. We also believe that placing the Fellowship’s financials toward the end of the Life Line Bulletin is less than optimal if members stop reading the bulletin before they get to the end.
3. Beyond the required audits and financial document submissions, there is no input regarding the state of the Fellowship’s finances from independent financial experts.

Given these observations, this committee strongly recommends that (a) the ISO, under the guidance of the Board of Regents, immediately come up with a strategic plan to digitize all of our approved literature and sell it on the Fellowship’s web site, (b) expand the monthly financial report to include information on bequests and interest earned on investment instruments, (c) possibly move the monthly financial report from the end of Life Line Bulletin to its own link on the ISO web site to facilitate faster retrieval by those members interested in this information, and (d) retain an independent financial expert to perform a detailed review of at least our last 15 years of financial statements to look for trends that could impact our financial health, both positively and negatively.

11 - ADOPTION OF TECHNOLOGY BY THE BOT AND THE BOR

Technology has been a subject that Gamblers Anonymous has avoided for decades. Although various members have tried to introduce various technology platforms over the years to facilitate things like digital literature and the holding of Trustee Meetings, the net result has mostly been a “shunning” of whatever has been introduced as being impractical or unwieldy. We believe this mindset must change if the Fellowship wants to continue its existence.

Literature

The overwhelming array of our literature is in print form rather than digital form that can be downloaded to a computer, phone, or pad. This is problematic for three reasons:

1. Not only do we incur the expense of printing and mailing the literature, there is an additional cost to the Fellowship just to store it. This means the ISO must consider storage space in its calculus every time it relocates, which in turn, forces the Fellowship to pay more money for rent. If our literature went completely or near-completely digital, the ISO could conceivably be run out of an executive suite with a small, nearby storage unit for non-digital literature. To illustrate this point, when the ISO, with the oversight of the Board of Regents, converted the Life Line Bulletin to a PDF format and made it available on their website, this act alone reduced ISO expenses by \$40K per year!
2. Continuing to maintain our vast literature predominantly in print form ignores the reality that while 43% of the general population still favors print books over e-books, the age group of people that our Fellowship is trying to cultivate (18 to 45) purchase 75% of the e-books sold in the United States. Therefore, they are more likely to embrace literature they can be download to a computer, phone, or pad than literature that can only be purchased in print form.
3. It is difficult to keep printed literature current. As a matter of custom and practice, when our literature is changed, we wait until our supply of the old version of the literature is exhausted before putting the new literature into the supply chain. From a financial standpoint, this makes perfect sense. However, by maintaining the literature in digital format, changes can be made in real time so our members can always avail themselves of the most current form should they choose to do so.

This committee strongly recommends that the ISO, through the Board of Regents, immediately come up with a strategic plan to convert as many pieces of literature to digital format as possible and protect them with a licensing code such that one copy cannot be transferred from one member to another free of charge. This will, in all likelihood, require the services of an outside consultant.

Board of Trustee Meetings

Semi-annual Board of Trustee meetings continue to be held at hotels located in the North American continent. Not only is this expensive for both the Fellowship and the Trustees, it generally eliminates active participation from Trustees located outside of North America. If we want active participation from our Trustees, especially those distant from the meeting site, we must embrace the concept of video conferencing software (Zoom, Webex, Skype, Microsoft Teams, etc.). Not only will this will eliminate the costs of sending Trustees to face-to-face meetings, it will facilitate more active participation by Trustees who have traditionally voted absentee because they could not afford to attend face-to-face meetings. This committee strongly believes this should become a BOT priority.

12 – ELIMINATING THE UNITY PROGRAM RESTRICTIONS AT THE CORPORATE LEVEL

The Board of Regents is the legal, public-facing body of GA. The BOR is a formal California, non-profit 501(c)(3) corporation responsible for governing the ISO according to the laws of California and the Internal Revenue Service. In addition, the BOR is responsible for managing and directing the ISO. These significant BOR responsibilities are not compatible with the Unity Program. A closer review of the Unity Program reveals why it should not apply to the BOR or function as business principles in running the ISO.

1. Contrary to Unity Step One, the BOR and the ISO are not about personal recovery, they are an administrative and financial arm for the Fellowship.
2. Contrary to Unity Step Two, the role of the BOR is to provide corporate governance and furthermore, failure to do so carries substantial penalties and consequences.
3. While a desire to stop gambling is appropriate for the BOR member as part of their individual recovery program, Unity Step Three has no applicability at the Corporate level.
4. Unity Step Four has no applicability at the Corporate level because decisions made at that level automatically affect GA as a whole.
5. Contrary to Unity Step Five, the primary purpose of ISO or the BOR is not to carry the message to the compulsive gambler who still suffers. Instead, their primary purpose is to support the Fellowship, financially and logistically, in fulfilling its mission. These are two distinctively different missions.
6. Contrary to Unity Step Six, there may be appropriate circumstances whereby we enter into relationships with outside enterprises (for example, contracting with the Hazelden Foundation to produce and sell literature which we use on a regular basis).
7. Contrary to Unity Step Seven, restricting outside donations at the Corporate level may have deleterious effects on the Fellowship as a whole (discussed in detail in the following sections of this report).
8. Contrary to Unity Step Eight, the management and direction of the ISO may require the use of professionals such as book keepers, accountants, and attorneys.
9. Contrary to Unity Step Nine, the BOR and the ISO must be organized according to appropriate business and legal standards.
10. Our public relations policy referred to in Unity Step Eleven should apply to the Fellowship and its individual groups as it attracts new members. However, this has nothing to do with the responsibility of the Corporation, the BOR, or the ISO.

11. By law, the BOR members cannot remain anonymous and anonymity can never be the foundation of the Corporation.

The Committee strongly believes the Unity Program applies only at the Group or meeting level and was never intended to apply at the BOR or ISO level. In this light, The Committee recommends that the Board of Regents and Board of Trustees collaborate to make all necessary changes to the Bylaws and Guidance Code to reflect this fact.

13 – SECURING THE FINANCIAL HEALTH OF THE ISO

The Unity Program is a core component of our Fellowship. Unity Step Seven states that “...every Gamblers Anonymous group ought to be fully self-supporting, declining outside contributions...” This was not an original idea but rather, taken directly from the “Seventh Traditions” of both Alcoholics Anonymous (AA) and Narcotics Anonymous (NA), programs that preceded our founding. Our Unity Step Seven has been absolute for the entire existence of Gamblers Anonymous and its applicability at all levels of the Fellowship; group, Intergroup, and ISO has always been accepted without question. The only difference between our interpretation of Unity Step Seven and Alcoholics Anonymous’s interpretation of their Seventh Tradition is that our members’ contributions are not capped, either annually or as bequests, whereas Alcoholics Anonymous donations are capped at \$5000/member/year and bequests are capped at \$10,000.

Regarding this Unity Step, probably the biggest difference between our Fellowship and our comparators, AA and NA, is their ability to generate revenue despite the restrictions put forward in this Step. Whereas the average annual revenue of AA and NA ranges from \$8 to \$12M per year., our annual revenue is only in the range of \$400-450K and has remained at this level for quite some time. Our Committee believes that it is the rigidity of Unity Step Seven that keeps us at such low levels. We know that historically, the ISO and the International Executive Secretary have been meticulous in returning frequent donations from parties not known to be members of the Fellowship and we applaud their zeal in enforcing this Unity Step on behalf of the Fellowship. However, the committee believes it is now time for the Fellowship to re-evaluate its interpretation of Unity Step Seven by asking the following questions:

1. Does accepting money from outside sources that only wish to be charitable and ask for nothing in return (i.e. families, friends, relatives, and employers of members of the Fellowship) compromise our core beliefs. If so, why? If not, why not?
2. Should the Unity Program even be applicable to entities above the level of the Group (Intergroups and the ISO). If so, why? If not, why not?

To ensure the financial health of GA, permit opportunities to grow the membership, meet the changing needs of compulsive gamblers, and reduce the Fellowship's dependence on individual member contributions, the Committee recommends the following.

- Unity Step 7 should be clarified to apply only at the individual meetings and Intergroup level and not at the corporate (ISO) level.
- Donations to the ISO from family and friends of compulsive gamblers should be encouraged and accepted.

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- Outside donations to the ISO from other sources not directly related to a compulsive gambler can be accepted if there is no expectation of anything in exchange for the contribution.

Lastly, the decrease in member donations doesn't just affect the ISO. Individual meetings must prioritize rent, literature, and contribution to the local intergroup and ISO. As membership contributions are down, less money is available for expenses overall. If alternative funding were obtained, the ISO's dependency on the membership and Intergroups could be reduced.

14 - TRANSPARENCY OF DONATIONS TO THE ISO

It is no secret that revenue over the past number of years has flat-lined while the other major 12-Step programs have expanded their revenue bases and memberships. Although in the past there were limitations on the amount of money one could donate to GA, that provision has long since been removed and we now know that that outside of Life Liners and “can contributions” at the meeting level, there are occasionally fairly large amounts of money being donated by a few generous members. Obviously, the Fellowship is extremely grateful for that and no one is expecting that any requested anonymity connected with these contributions be violated. However, this committee strongly believes that larger amounts (especially those derived from bequests) should be made known to the Fellowship in some way. By doing this, the members and especially the Trustees, will have a better sense of the true financial health of the Fellowship. The most difficult decision obviously will be to allow outside contributions at the ISO level in current contravention of Unity Step 7 and there has to be serious consideration to reshaping that Unity Step in order to provide the Fellowship with better financial viability. Although some members might perceive that if we do this, outside entities will try to control Gamblers Anonymous, this committee believes we have the ability to put enough “guardrails” in place so this does not happen.

15 - PERSPECTIVE ON BOT OPERATIONS AND THE NEED FOR RESTRUCTURING

Over the past 20 years, the Board of Trustees (BOT) has managed to improve its structure and purpose to help benefit the Fellowship. Clarity of terms and functions have been more clearly defined but the fact remains that the BOT remains somewhat dysfunctional. Some factions have even tried to disassemble the BOT, likening them to a central government telling the states (rooms and Intergroups) what to do and how to do it. This philosophy is best characterized as autonomy rather than unity and such thinking may not be in line with core precepts of the program. This committee definitely does not support the idea of autonomy rather than unity.

The main document that guides the BOT is the Guidance Code, which lists “specific and primary purposes for which this Fellowship is formed...” A critical assessment of each purpose would yield very poor ratings for each one. Mapping out all the activities of the BOT, including the various committee efforts, would resemble individual modules that only have paper-thin connections to their expected efforts and focus. The mission statement for this particular committee is to deal with restructuring of Gamblers Anonymous only and most of our recommendations are to be left in the hands of the Board of Regents and Board of Trustees to take, or not take, appropriate action. Since the only view of Gamblers Anonymous that the public sees are our meetings (under the purview of the BOT), a bottom-up view of the individual meeting space may be very distressing to an outsider. The committee believes this is a direct result of the ineffective and inefficient communication of best practices between the BOT and the Intergroups and individual rooms.

One sensitive issue that remains at the forefront is funding of the individual Trustees for our semi-annual BOT meetings as these meetings can be financially crippling to Intergroups. Those Intergroups that have adequate funding to send their Trustees to these meetings now may be just buying time before cutbacks surface. For those Intergroups lacking funding to send their Trustees to these meetings, serving on the BOT then becomes a function of which Trustee can afford the expense of attending a Trustee meeting. Those who would make the best Trustees are often precluded from being one because of finances. This benefits no one.

This committee believes it is inevitable that the BOT must submit to its own operational restructuring lest it becomes irrelevant to the continuation of the Fellowship. A committee similar to this one should be charged with making recommendations for the restructuring of the BOT.

16- THE ACCOUNTABILITY OF THE BOR TO THE FELLOWSHIP

Like other businesses or corporations, our Board of Directors, known as the Board of Regents (BOR), is accountable to its shareholders, the members themselves. This accountability is manifested through the voting process in which the members, through its Board of Trustees (BOT) either (a) agree with the BOR's performance or (b) they disagree with the performance of the BOR and vote for new Regents who may be better aligned with the members' needs. Like all corporations, there must be a clear delineation of the roles and responsibilities of the corporation through the BOR and the roles and responsibilities of the Fellowship through the BOT. The BOT oversees the Fellowship, while the BOR is responsible for the Corporation through the International Service Office (ISO). However, it should be emphasized that these two bodies do not exist independent of each other. They are inextricably linked. The BOR has only one customer – the Fellowship. Without the BOR and ISO, the Fellowship cannot accomplish many of its goals and objectives. Unfortunately, over the years, there has been an effort to avoid friction between the two bodies by believing they could coexist independently. Unfortunately, this has only led to conflict.

Corporate governance establishes that the BOR is accountable to State and Federal regulators and they are accountable to the BOT who vote them into their positions. The BOT is the body responsible for selecting the BOR members and it is only through this vote that the BOT holds the BOR accountable to its expectations. However, believing that the BOR and BOT exist independently has led to the BOT only facilitating the election of the BOR members rather than embracing the responsibility to select representatives that address the BOT's and the Fellowship's expectations.

The Committee strongly recommends the following to enhance the ability of the BOR and the BOT to meet the needs and future challenges of the Fellowship:

- The BOR and BOT leadership must meet at least twice yearly to discuss activities and initiatives, particularly those that require coordination between the two bodies.
- The BOT must establish expectations of the BOR that are important to the Fellowship. This includes financial transparency, communication, strategic orientation, fundraising, and management oversight may be appropriate.
- The BOT must elect BOR members who exemplify these principles and will work collegially with the BOT.