

## **June 6, 2026, Special Finance Report**

My name is Mike and I am an alcoholic and your SENY Treasurer. By now you may have heard that at the May 4, 2026, Committee Meeting I gave a Special Finance Report that the Panel 73 Treasurer had misappropriated approximately \$8,000 during Panel 73. Copies of that report, as well as today's report, which differs somewhat from today's report, are on the tables outside and on Assembly documents website. Both have been translated into Spanish and watermarked "AA Members Only" and the Traditions apply. You can also email me directly at [Treasurer@aaseny.org](mailto:Treasurer@aaseny.org) for copies.

In 2025 Panel 75 Interim Treasurer Tom B. responded to an IRS audit of SENY, now closed. As part of the Area's response Tom made a snap audit of the 2024 books sufficient to respond to the IRS. Tom saw that in November 2024 the Panel 73 Treasurer had purchased a \$1,200 laptop using SENY funds and still had the laptop. The Treasurer said she had not understood this was improper and asked to make restitution from her Panel 75 reimbursements; this was accepted and partial reimbursement has been made. Tom also noted that the Treasurer had made reimbursements of exactly \$750 to herself, without supporting documentation.

In late 2025 Tom informed the Panel 75 Officers. Tom recommended that the newly elected Panel 75 Treasurer audit the 2024 books to get them in shape for accounting purposes. Misconduct was not suspected, only sloppy record-keeping and, perhaps, incompetence.

The Officers agreed. In January 2026, after preparing the 2026 Budget, I started the 2024 audit. I soon saw questionable transactions, including ATM withdrawals using the SENY debit card, almost always for \$200. I informed the Officers and we immediately met in January. We agreed that a full audit of Panel 73 was needed, that I would do the audit, and that Raj, as Chair, and Jeanne, as alt-Delegate, would support the audit. We agreed that if misuse was substantiated, we would inform the Fellowship. I also informed Tom B. in his capacity as Panel 75 Interim Treasurer.

Ultimately, I looked at all payments made in Panel 73, both by check and electronic. I identified, in addition to the laptop, 25 ATM withdrawals, all made in the same neighborhood where the Panel 73 Treasurer lived, and two self-payments by Zelle that did not seem service-related.

One thing that stood out about the transactions in question was that none were assigned to the Treasurer line in QuickBooks. They were recorded by the Panel 73 Treasurer under lines like Printing or Office Supplies, which are not reviewed by anyone except the Treasurer unless they exceed 100% of budget. And the additions did not cause the lines to exceed budget. So, I examined budget lines, line by line, focusing on lines like Printing, Supplies, and Equipment where expenses might be buried. I also looked within Stripe and Venmo, and both were clean.

I had been periodically updating the Officers throughout, but at this point I summarized what I had found in writing and included unredacted screenshots of the financial transactions in question.

We met, after which Raj informed the *ad hoc* Finance Committee. Raj, Jeanne, and I then met in person with 3 of the 4 members of the Finance Committee, Tom B., Panel 71 Delegate, Jo Ann M., Panel 73 Delegate, and Rich S., Panel 71 Treasurer. We reviewed the information and agreed that the transactions were questionable. We agreed that SENY needed to contact the Panel 73 Treasurer in writing about these transactions and ask for her response. I did so, sending a detailed letter. All questionable transactions were identified, and screenshots attached. The Panel 73 Treasurer was informed that I would have to inform the Fellowship if misuse was substantiated.

The Panel 73 Treasurer responded quickly. She showed that one Zelle transaction was service-related. The Panel 73 Treasurer's explanation of the ATM withdrawals was that the Area's bank account had been hacked after two check-washing incidents during Panel 73.

Ray and I agree that the bank account was not hacked; check-washing is not hacking. Moreover, even if it had been hacked, hacking cannot explain the use of a debit card, with its unique number and PIN, and within a limited geographic area. It also does not explain how or why the withdrawals were entered into QuickBooks as legitimate expenses by the Panel 75 Treasurer.

The Panel 73 Treasurer's explanation of a \$1,500 payment to herself through Zelle, that she was repaying funds given by her to the Area to keep it solvent during the check-washing incident, seemed unlikely, although I reviewed all 484 deposits made during Panel 73 to see if it could be true. There was no matching deposit. The Panel 73 Treasurer informed us in writing that she would no longer answer any questions or communicate further.

Before I get to the financial loss and the actions we have begun to take, I'd like to step back and talk about AA principles. One of things your Officers were all very aware of and agreed upon at our first meeting was that we had to adhere to AA Traditions and Concepts throughout this unprecedented-for-us experience. I certainly did not have a sober reference for this. So, we spent a lot of time discussing the Traditions and Concepts, how they apply, and how to address this in an AA way. Both fortunately and unfortunately John W., Panel 57 Delegate, and Tom B., Panel 71 Delegate, do have experience with treasurer misappropriation and John is my service sponsor; both were invaluable.

The long form of Tradition 1 provides that "our common welfare comes first. But individual welfare comes closely thereafter." Tradition 3's long form says that "we may refuse none who wish to recover." And although our common welfare required that the Officers swiftly investigate and report misuse of your Seventh Tradition contributions to you the Fellowship, the Panel 73 Treasurer is not refused entry into the rooms of AA. And should I meet the former Treasurer in my travels, I will simply ask how she is doing and pray that she stays sober and finds some peace on her journey. As Panel 75 Treasurer I am today responsible for this report. As Mike O., alcoholic, I am responsible for extending the hand of AA always.

The Officers have not asked for financial restitution. Amends are given, not demanded. Consistent with Tradition 10, which warns against public controversy, and Concept 12, which

says that actions should not be personal or punitive, the Officers have not informed the authorities and do not plan any further action, with one caveat I will discuss.

Concept 3 gives trusted servants the “right of decision.” I do not believe that initiating and expanding audit, contacting the former Treasurer, and the decision to report to you, fall within the Treasurer’s right of decision. Rather, Concept 12 says that important decisions should be made through discussion and, if possible, substantial unanimity. Tom reported what he had found to the Officers, who decided what to do and who would do it. And I kept reporting back. We collectively decided on what came next. How I then proceeded became the Treasurer’s right of decision under Concept 3 until done, after which I reported back.

And if there is one learning moment here for me personally, it’s the reminder that asking myself “am I meticulously applying AA principles in all things” is paramount. It is the AA Way of Life.

Returning to the Panel 73 Treasurer, on May 4<sup>th</sup> I said that the financial loss to the Area was in the neighborhood of \$8,000, but that I had not finished my review due to a delay in getting checks from a closed account. I would put the total at around \$8,900 today. This is important, not simply because we can quantify it, but because the IRS requires that charities like SENY report any misappropriation of funds in excess of 5% per year of income. Had the Panel 73 Treasurer’s misappropriation been above 5%, SENY would be obligated to report it. It was not and we will not. But satisfying a legal obligation is neither personal nor punitive.

For me personally this really goes to trust: the Groups and individual alcoholics trust the Area and its trusted servants with their contributions to help the next alcoholic, and SENY has not lived up to that trust. And when I say “SENY” I am not referring to Panel 73 or any individual person; over the years a series of Panels and Area Committees did not pay attention to the oversight part of the Financial Guidelines and did not take stock as the financial world changed.

So, how to prevent this from happening again. The Officers and Finance Committee agree that the Financial Guidelines are very much out of date for the modern era and that we need to put oversight back into the system. To put it another way, our financial oversight controls worked in an era of paper but do not work in an e-banking world, especially for the Treasurer position.

For the time being we have taken some interim steps, which may become permanent in some form after further consideration:

- 1) Because the Treasurer made reimbursements to herself without providing receipts, I send all my requests for reimbursements to the Chair from a personal email, cc’d to Treasurer.
- 2) The Chair of the Finance Committee now has access to QuickBooks for audit and oversight.

3) Create alerts in the Chase accounts so that another Officer gets a notification when the card is used; additional alerts may be used also.

4) Regarding Stripe, although there was no misuse of funds, we recognize that the Treasurer should never have super-admin or ownership privileges on Stripe because that would permit the Treasurer to get to and change bank information. Fortunately, the Panel 73 Treasurer did not have such privileges.

5) I've been slow-walking using Venmo for payments, in part because putting oversight in is harder, but we're making progress. For the time being I am sending Venmo monthly statements to the Officers.

I know that this is a lot to take in, and can take time to process, so I am available to speak at County and District meetings and otherwise. Let me know how I can help. And in closing, before we get to your questions, comments, and suggestions, I'd like to ask you to join me in the "We" version of the Serenity Prayer.

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