

**Sierra Foothills RCM Report**  
**2/2/2018**

All,

I am going to try to keep this brisk, and only slow down and dig deep when you all have that interest.

Below is what we reported at last month's RSC.

**Regional Donation:** \$654.75

**General Information:** We did not have a quorum at our last meeting, most likely due to the TAC Convention, so business was not addressed and motions were tabled or retabled. Our Activities committee and members report that our New Year's Event was a success in terms of attendance, NA message, fun, and financially. We continue to discuss our annual H&I event and possible solutions to member concerns. The H&I Chair brought a new motion and a solution proposed by the H&I subcommittee. They hope to continue coordinating the event with a working group that they form, the difference being that the working group will report directly to our Area. We have a couple items to take care of per our guidelines, including a group inventory, financial audit, and guideline review. We are nearing the end of our current service cycle, with nominations in March and elections in April.

**Upcoming Events:** None scheduled at this time.

**Forum Topics/Requests:**

**Other:**

Beyond this I am not going to spend time on Area Reports at the RSC. There are other items that I believe we will want to drill down into and the highlights of Area Reports will be found there

Motion	<p>Without input on the guidelines that need to be updated, here is how I have worded the motion so far.</p> <p><b>Motion:</b> To instruct the NCRSC FST committee to amend the appropriate guidelines and procedures so that the following occurs:</p> <ul style="list-style-type: none"><li>- The Action Plan process solicits and includes at a minimum three project requests from Northern California Areas or subcommittees, which will be funded by surplus from the Northern California Convention of Narcotics Anonymous.</li><li>- The funding of project requests in the Action Plan occurs after the NCCNA books are closed and surplus funding has been identified.</li><li>- The donation to Narcotics Anonymous World Services (NAWS) only occurs after all projects are funded.</li></ul> <p><b>Intent:</b> To use some of NCCNA funds for locals needs.</p>
Motion	<p><b>Motion:</b> The Northern California Region supports the right of the South Florida Region to inspect the records of NA World Services according to "Article V: Rights and responsibilities of the Beneficiary, Section #3: Inspection of the Trustee Activities" of <i>The NA Fellowship Intellectual Property Trust (FIPT)</i>.</p>

**Intent:** To make a statement of record in support so that the current FIPT is upheld by NA World Services.

**Update:** Since the discussion at Nor Cal Region on December 9, the lawyer for the S. Florida Region has released the following opinion. A formal response to NAWS is pending.

#### LEGAL OPINION

"As we discussed earlier today, it looks to me like the World Board is trying to find reasons/excuses why it doesn't have to honor a very appropriate request from the South Florida Region to inspect the books and records of the FIPT. Without getting into any of the reasons why they're refusing to comply, let me give you a brief analysis why I think the inspection should proceed and what can be done if the WB won't change its untenable position.

First of all, the FIPT says that a regional service committee may inspect the records and operations of the Trust on behalf of the Beneficiary provided certain conditions are met. California courts have almost universally held that "may" is synonymous with "shall" or "must". This is why I said that it's not really a request (even though that word is used in the trust) to inspect as much as it is an exercise of a right to inspect.

Secondly, there are only 3 prerequisites to being able to inspect the books:

1. An approved motion;
2. You must pay for your own representative in the inspection. The Trustee pays for all other expenses.
3. A written "request" must be submitted detailing its concerns and the specific areas of operations it wishes to inspect.

The motion doesn't have to be specific or align with the concerns. It can be a one liner as long as it's a proper motion made, seconded and passed in accordance with the bylaws of the organization. It looks to me that the motion is proper.

The second item is a non-issue. As for #3, the letter of April 17, 2017 has quite a bit of detail. All you have to do at this juncture is put the Trustee on notice of the general topics and areas you want to inspect. Until you conduct your inspection you can't know if you've seen everything you need and are entitled to see."

I have included all of the RD report except for the section about WSLD. If you want to see all of that you can go to [norcalna.org](http://norcalna.org) and get the minutes, or e-mail Shannon or I and we will provide you copies. Again, I am trying to keep us focused on CAR issues, which seem to be consuming the fellowship.

## RD Report

### 2018 Conference Agenda Report (CAR)

Once again, the English version of the 2018 Conference Agenda Report has been released. It can be found at <https://www.na.org/?ID=conference-index>.

Additionally, videos and PowerPoint prepared by NAWS can be found at the following link, for those seeking to learn more about this year's CAR independently:

<https://www.na.org/?ID=wsc2018-vids>

The most important thing for us to cover this month is the process, including important dates & events, especially as we don't have a February RSC.

## Schedule & Important Dates

Here is what to expect, for the 2018 CAR Voting schedule:

- The Conference Approval Track deadline for release is **January 28, 2018**, or by the end of the Western States Zonal Forum, which takes place **January 25-28, 2018** in Fairbanks, Alaska. We are hopeful (and it is likely) it will be available by the Forum, so that NAWS can speak to it there.
- At the Zonal Forum, RDs will have the opportunity to workshop the CAR and the CAT with representatives from NAWS, as well as other RDs from the Zone and the country.
- Upon our return, we will put together a PDF of the Northern California CAR ballots. These will differ from the Ballots attached to the CAR, inasmuch as they will ask some additional questions seeking our Region's conscience on issues in the CAR that aren't represented directly by Motions.
- Additionally, we will create an online ballot, which can be used by groups or individuals in place of a paper ballot.
- The ballots and the URL for the online ballot will be distributed via Email to all RCMs on or about **January 31, 2018**.
- The following dates have been set for CAR Workshops in the Northern California Region:
  - **Sunday, Feb. 25, 2018, 2PM:** Almaden Hills United Methodist Church, 1200 Blossom Hill Road, San Jose CA 95116
  - **Saturday March 10, 2018, 10 AM:** Community Presbyterian Church, 2800 Georgia St., Vallejo, CA
  - **Saturday March 17, 2018, 1 PM:** San Francisco Area of Narcotics Anonymous Area Service Office, The West Bay Conference Center, 1290 Fillmore Street #B San Francisco, CA 94115
  - **Saturday March 24, 2018: Mission Peak Area, details TBD.**
  - **Saturday March 31, 2018, 3 PM:** NCCNA XL, San Jose Convention Center, 150 W San Carlos Street, San Jose, CA 95113
  - **Sunday April 8, 2018, 4 PM:** 2123 Tydd Street, Eureka, CA 95503.
- Paper ballots will also be available at the RSC on **March 10, 2018**.
- All votes must be submitted by **Thursday April 12, 2018 at midnight**. **Votes can be submitted one of the following ways:**
  - **In person:** at the **March 10 RSC**, any **CAR Workshop**, or by arrangement with the RD or AD.
  - **Via Email:** please send completed ballots to [rscrd@ncrsc.org](mailto:rscrd@ncrsc.org).
  - **Online,** using the URL that will be distributed along with the ballot.
- Votes will be tallied on **April 13, 2018**.
- The results of the voting will be reported to the RSC on **April 14, 2018**.
- The World Service Conference is **April 29 to May 5, 2018**, in Woodland Hills, CA.
- We will report back to the RSC on the WSC at the RSC on **May 12, 2018**.

## Voting Instructions

At the top of each Ballot, including the online ballot, will be the following instructions:

**Our Region approved the following Motion in 2016, with regards to voting on the CAR:**

*Voting: To provide every member of the Northern California Region of NA the opportunity to participate in the group conscience of the region. This can happen at home groups or in attendance of (1 of 4) Conference Agenda Report assemblies or online. Any member in attendance at a Conference Agenda Report (CAR) assembly may vote as an NA member. It is asked that a member vote only once. Voting will be totaled by the RSC FST after the final assembly. Results of the written and on-line ballots will be given at the final RSC before the WSC.*

Since we will be accepting both individual and group votes, each Tally Sheet will need to reflect the number of individual Yes, No, and Abstain votes cast for each motion, as well as the number of responses for each item of the survey. These votes will be totaled by the RSC, and the result with the highest total of individual votes for each motion will be used to reflect the conscience of the Northern California Region.

Accordingly, if you are voting as an individual, please enter place a check mark or enter a "1" to reflect your vote in the appropriate column. If you are voting as a group (or collecting votes at a CAR workshop), please enter the number of individual votes for each Motion made by your group or workshop in each column.

**Group/Workshop Name or Individual First Name**



#	Maker & Description	# of Yes Votes	# of No Votes	# of Abs Votes
#1	Maker: Ohio Region and Michigan Region  To direct the World Board to create a project plan for consideration at WSC 2020 to convert the service pamphlet Social Media and our Guiding Principles into a recovery IP that includes fellowship input and review.			

For example, if you are filling this in for a Group or Area, and only answer with a check box in the space above, the net result is that the ballot will be counted only as a single vote, regardless of how many were in the group.

## Regional Conscience

Not all of the items discussed in the CAR are reflected in the Motions, especially as the World Board did not bring any motions this year – things like the Future of the WSC, and the FIPT and the South Florida Inspection request. For others, a number of Motions relate to similar grouped topics, like Zonal Seating. Historically, RD's achieving Regional Conscience comes from the CAR workshops, and listening to the Fellowship, and we will do that. But because some of the items are likely to require us as Delegates to speak to and take action on the floor of the WSC, or to provide feedback in Working Groups, we are likely to add a "Regional Conscience" section to the Ballot to ask the Region to weigh in on some of these items more globally. If the response to this is low, or there are too many "Abstains", we may not carry it as "Regional Conscience" – for example, a scenario where 500 votes are turned in, 100 people answer the question, and the voting is 35 yes, 20 no, 45 abstain wouldn't be reflective of "Regional Conscience", and we would likely fall back to what we hear directly from the Fellowship at the CAR Workshops.

## FIPT and the South Florida Inspection Request

We've been talking about this at length, so we wanted to bring the latest to this body. The CAR contains an "FAQ" from NAWS on the Inspection Request, as follows:

### FAQs

Q: Doesn't the FIPT say that any region can request an inspection?

A: Yes, but the request, as submitted, may not conform to the guidelines laid out in the FIPT. To begin with, the motion passed by the requesting region appears only to have authorized that they agreed in principle that a request be drafted. To date, we have not been able to confirm that the region had the opportunity to review or approve the specific request that was submitted on their behalf. We have requested clarification from the region.

Q: Why did NAWS consult an attorney?

A: The FIPT is a legal document filed in the state of California. The request from the region relates directly to this document, so it seemed prudent to consult legal counsel. This is new territory for us. No region has ever called for an inspection, so there's no experience to draw on for enacting this provision.

Q: Why the delay? Is NAWS stonewalling?

A: Some people have incorrectly compared the inspection request and the time we're taking to fulfill that request to asking your home group's treasurer to see the group's records and being refused. We can see how this comparison could cause alarm. Others have noted that a more apt comparison would be a scenario in which a group member asks the treasurer to spend money and is told by the treasurer that she or he would need to consult with the rest of the group. We aren't stonewalling; we're simply trying to be responsible stewards of the Fellowship's resources.

Put simply, it just takes time to work through all that's involved with this request. We've asked for clarification from the requesting region about the scope of their request for inspection. Some of the concerns listed seem unrelated to the FIPT and appear to extend to all financial matters. For example, the request raises questions about production decisions that are clearly the Board's responsibility according to the FIPT. Getting clarification is our first order of business. We don't believe that the region intended to initiate this large of a project—the estimated fees from our

CPA are \$100,000 for their involvement alone—so we felt obliged to inform the region about the level of time and effort involved in the enterprise, as proposed, and the expense this labor would generate. It also seemed to us that the WSC would want a chance to discuss the matter, given the level of investment this request would require.

Q: Why don't you just give them what gets handed to the auditors?

A: We hire a reputable independent CPA firm to perform an annual audit of NAWS' finances. Their team spends weeks in the Chatsworth office each spring reviewing a myriad of randomly selected 2018 Conference Agenda Report documents and ledgers, independently contacting each of the banks we use, and comparing our practices and records to published policies and established accounting practices. This annual audit costs us between \$20,000 and \$30,000, and the results are reviewed by an audit committee, presented to the Board, and published in each Annual Report. The same firm is able to conduct an audit of most of our branches, but for Iran we have had to hire an additional CPA firm that operates in Iran and reports to our auditing firm. This process conforms to accounting industry standards and has not been called into question previously by the WSC. Annual Reports that include the independent auditor's report dating back to 2003 are posted online at [www.na.org/ar](http://www.na.org/ar).

Q. Why wait for the WSC to resolve this?

A. Given the resources required, we feel compelled to consult with the Conference. NAWS is moving forward with all deliberate speed while maintaining our commitment to integrity and accountability. At the time of this writing, we are waiting to hear back from the requesting region. It's an important matter, and it's worth taking the time to resolve this thoughtfully.

Even a scaled-back request would come at a substantial cost. Given the investment of Fellowship funds required, we want to give the WSC an opportunity to address this matter. Regional delegates have every right to raise legitimate concerns about trust-related activities. When and if an inspection is performed, we want to be sure it addresses the needs of NA as a whole. If the

Conference shares the requesting region's concerns, we would immediately comply with a request.

Q. What's this talk about changing the FIPT as a result of this request?

A. The inspection provision in the FIPT has not been updated since the document was approved by the WSC in 1993. We were a much smaller Fellowship at that time, and our services and budgets were organized differently in those days. As part of a comprehensive review, World Services was restructured, and what had been three independent budgets was unified into a single budget.

This took place years after the FIPT was approved. As a result of this restructuring, one Board—the World Board of NA—would be elected by and accountable to the World Service Conference.

Instead of three separate budgets for the office, the Conference, and the convention, only one of which was in the purview of the Conference, a single unified budget was created. Prior to the restructuring, the office and convention budgets were not reviewed and approved by the

Conference. Since restructuring, the Conference reviews and approves all our operating expenses in a unified budget. And while all of that makes sense in terms of accountability, it does complicate matters in terms of a FIPT inspection. Expenses and income associated with the intellectual property held in trust are now mixed with other revenue streams at World Services, and none of our expenses are categorized as FIPT or non-FIPT expenses. Separating out trust-related funds from current ledgers would be no small task.

The resources that would be required to fulfill the request, as written, set off some alarm bells.

We were not comfortable devoting that much time and money without consulting the WSC. The idea that a single region can initiate an inspection process, without regard to its cost, seems more aligned with the WSC of the early 1990s than with the collaborative, consensus-based body we have today. Given the nature of our Conference today, we feel obliged to give the WSC an opportunity to discuss the possibility of amending the FIPT in the future.

In the mean time, the RD from South Florida has posted the following to the Conference Participants Discussion Board:

Q: Did the SFR respond to the WB request for more information? I thought that was the next step to this process after the SFR December RSC?

A: Not yet. Our attorneys are in the process of drafting the response. Once that response is drafted it will be sent to our regional admin committee for approval to send to the World Board. Once that approval is received I will send the response to the World Board with a cc to Arne and Becky. Once receipt of our response is acknowledged, I will post our response on here. Hopefully, it won't be too much longer for that process to complete.

And, as of January 11, 2018: "The letter from our attorneys has been received. I've sent it to Regional Admin for their approval to have it sent to the World Board."

Finally, certain Areas and Regions across the Fellowship have begun suspending donations to NAWS until this is resolved, in some cases supported by the claim that NAWS has refused the Inspection request. While this certainly isn't true in a literal sense, it is also true that NAWS didn't agree, especially as relates referring the matter to the WSC. There may be no easy answer here, and it certainly appears at the moment as if this might be heading to the courts. More will be revealed, and certainly this will be a point of much discussion at the WSC.

## **NAWS Correspondence**

Between last Region and this one, we wanted to highlight the following correspondence from NAWS not covered elsewhere in this report:

- December 12, 2017:
  - Information was provided on how to submit to the CAT (though that deadline has passed) and the Conference Report (which has not), as follows:

### ***CAT, Conference Report, and Regional Ideas***

We are in the process of preparing the material for the Conference Approval Track. The deadline to release the CAT is 28 January, and we aim to have it available at least a week early so that you will have it for your workshops. The deadline to submit a proposal or idea from your region to be included along with the mailing is 31 December. You can also submit a regional proposal/idea to be included in the *Conference Report*. The *Conference Report* deadline is 15 February. Simply forward the proposal or idea to the World Board ([worldboard@na.org](mailto:worldboard@na.org)) and state that your intention is to have it included in the CAT or CR.

Submitting material to be included with the CAT mailing or as an addendum to the *Conference Report* is one way to circulate ideas to other Conference participants in advance of the WSC. If you want the proposal to be included in the list of new business proposals that will be prioritized at the WSC, you will need to submit it onsite it by the deadline during the Conference week. We will have a proposal form at the Conference for you to use. In the meantime, here are some points that most proposals would include:

Main topic/issue addressed in the proposal

The proposal itself

What you hope will be accomplished (i.e., project, issue discussion topic, 2020 *CAR* motion, etc.)

Any contextual or support material that would be helpful in discussion of the proposal

- Without much to report from the Board meeting not related to the CAR or CAT, there will be no NAWS News this quarter.
- There are two Conference Participant Webinars scheduled upcoming: 17 March 2018, 11:00 am-12:30 pm Pacific Standard Time, and either 7 April or 14 April. One, will be more focused on discussion among participants.
  
- December 27, 2017:
  - Videos for the CAR and updated versions of the PowerPoints are online.
  - French, Portuguese, Spanish, and Swedish versions of the *CAR* are posted.
  
- January 24-28, 2017: Western States Zonal Forum, Fairbanks, AK
- Sunday, Feb. 25, 2018, 2PM: CAR Workshop, Almaden Hills United Methodist Church, 1200 Blossom Hill Road, San Jose CA 95116
- Saturday March 10, 2018, 10 AM: CAR Workshop, Community Presbyterian Church, 2800 Georgia St., Vallejo, CA
- Saturday March 17, 2018, 1 PM: CAR Workshop, San Francisco Area of Narcotics Anonymous Area Service Office, The West Bay Conference Center, 1290 Fillmore Street #B San Francisco, CA 94115
- Saturday March 24, 2018: CAR Workshop, Mission Peak Area, details TBD, contact Jimmy I. at jimisch@yahoo.com.
- Saturday March 31, 2018, 3 PM: CAR Workshop , NCCNA XL, San Jose Convention Center, 150 W San Carlos Street, San Jose, CA 95113
- Sunday April 8, 2018, 4 PM: CAR Workshop, 2123 Tydd Street, Eureka, CA 95503.
- April 29-May 5, 2018: WSC 2018

There are also the following upcoming important dates:

- CAR Ballots to be distributed electronically to RCMs by January 31, 2018
- Regional Reports due by February 15, 2018
- WSC registration & housing due by March 1, 2018
- NorCal CAR Voting closes on April 12, 2018 at midnight
- WCNA 37: August 30-September 2, 2018

Lastly, as always we'd also both like to express our gratitude for the opportunity to serve our fellowship in these positions. It is indeed an honor and a privilege.

Thanks for letting us be of service,

Eric & Michael

## Friendly reminders and Regional Policies from the BOD

### **New Information regarding Raffles:**

- The NCRSO, the NCRSC, nor the NCCNA Committees *do not support or will they have Raffles from this day forward. This will include Raffles being held by Areas or Groups within the Northern California Region.* Because the 2018 COS Convention Committee was in process before the RSC voted, they will continue having fund raising raffles until their Convention is over under the current Raffle Registration form with the State of California; Forms "CT-NRP-1. The Northern California Region and any of their newly supported venues will not be having Raffles or any other type of money generating prize drawings in the future.  
**Under the law, 50/50 Raffles are illegal in California for non-profits. Period!**

### **Certificate of Liability Insurance:**

- This is the form used by the ASC and Area Meetings. It is currently online and can be downloaded and printed for your Area or Group Meetings. <http://www.norcalna.org/pdf/EOI%202017-2018.pdf>
- If a facility, used by the ASC or a Group within your ASC, wants to be named on the Proof of Insurance, the Request for Insurance Certificate <http://www.norcalna.org/pdf/Insurance%20Meeting%20Packet.pdf> must be completed and submitted to the NCRSO, along with the appropriate payment (made payable to NCRSO).

### **Event Insurance Information:**

- The insurance company does not insure dunk tanks or jump houses at any events.
- Waiver forms are used to have participants sign for any sports, swimming, etc. in order to deter people from suing RSO.
- Be sure to download the Accident / Incident Report Form <http://www.norcalna.org/pdf/2013%20Accident%20Incident%20Report%20Templete.pdf> from the Norcalna.org Insurance page to have on hand for events.

### **Old Business:**

#### **07-1-17 (tabled)**

Motioned by: Theresa S

Second: Eric

Motion:

To change our practices such that all positions within this service body be required to use their assigned NCRSC.Org emails for all communications related to NCRSC business.

Intent: To ease the transfer of information as members transition into NSCRSC service positions and to enhance transparency and accountability.

Seconded by:

Vote Count: Unanimous

Result: Passed

### **TABLED AGAIN – provide step by step user list for RCMs**

#### **Motion #12**

Motioned by: Shannon

Motion: To Reimburse our Treasurer for the cost of the storage file purchase for financial records \$20.95

Intent: To reimburse our Treasurer

Date: 09-Dec-2017

Seconded by:  
Vote Count: Unanimous  
Result: Passed

**Motion #13**

Motioned by: Regional Sharing Forum  
Motion: To reinstate the RSF Sherriff's work group with a budget of \$750 per year.  
Intent: To continue to improve our relationship with Cal Sheriff's Departments and simplify institutional access  
Date: 09-Dec-2017  
Seconded by: David  
Vote Count:  
Result: **TABLED 26/1/2**

**NEW BUSINESS:**

**Motion #14**

Motioned by: Sandy R.- RCM SJ  
Motion: The Northern California Region supports the right of the South Florida Region to inspect the records of NA World Services according to "Article V: Rights and responsibilities of the Beneficiary, Section #3: Inspection of the Trustee Activities" of The NA Fellowship Intellectual Property Trust (FIPT)  
Intent: To make a statement of record in support so that the current FIPT is upheld by NA World Services.  
Date: 01/13/18  
Seconded by: Art  
Vote Count:  
Result: **Tabled 30/1**

**Motion #15**

Motioned by: Mike A. RCM ARANA  
Motion: Suspend all donations to NAWS until the FIPT – Florida matter is resolved.  
Intent: Support of South Florida FIPT inspection request and financial transparency.  
Date: 01/13/18  
Seconded by: Art W.  
Vote Count:  
Result: **Ruled out of order by Chair due to guidelines**

**Motion #16**

Motioned by: Eric B. – Regional Delegate  
Motion: To amend the regional guidelines, Section D6, from "a simple majority (50% + 1) shall be required to pass most motions" to "a simple majority shall be required to pass most motions"  
Intent: Clarity. A simple majority is "greater than 50% of votes", not "50% + 1" For example, with 3 voting members, 50% + 1 requires 3 votes for passage (3 x 50% + 1 = 1.5+1 = 2.5) For simple majority, 2 votes are sufficient (67%). This leads to confusion of how many votes it takes for a motion to pass.  
Date: 01/13/18  
Seconded by: Michael

Vote Count:  
Result: **Tabled until March**

**Close meeting @ 6:17pm**

**Parking Lot:**

**NEXT MEETING:**

**March 10, 2018**

CAR Assemblies Guidelines:

In terms of CAR workshops, our Region's guidelines are clear; we'd like to go over them now:

*Zonal Rotation:*

*There will be four bi-annual Zonal CAR assemblies in the Northern California Region. The bi-annual CAR assemblies include both the pre and post conference assemblies. The pre conference assembly will be held within the months of February, March or April. The post conference assembly will be held within the months of May, June or July. There will be one bi-annual CAR assembly in each zone.*

*A zone consists of several areas grouped together geographically. Each area within a zone will rotate hosting the bi-annual CAR assemblies. In order to have more consistent participation and achieve our objective the bi-annual CAR assemblies will take place in the same area preferably at the same location. The rotation of the areas within a zone occurs automatically in alphabetical order.*

*Zone 1: Humboldt, Lake Mendocino, 916 North, Shasta*

*Zone 2: American River, Contra Costa, Napa Solano, Sierra Foothills*

*Zone 3: East Bay Central, East Bay North, Marin, San Francisco, Sonoma*

*Zone 4: Greater San Jose, Mission Peak, Monterey, Peninsula, Santa Cruz*

There is a little confusion between the statements, "Each area within a zone will rotate hosting the bi-annual CAR assemblies" and "In order to have more consistent participation and achieve our objective the bi-annual CAR assemblies will take place in the same area preferably at the same location". But our interpretation of the guideline is that we should rotate areas from the 2016 CAR. In 2016, we did 5 workshops:

Sac Fellowship 2/27/16

Co Co County 3/5/16

Shasta Trinity 3/19/16

NCCNA 3/26/16

Greater San Jose 4/2/16

We will again be doing a 5<sup>th</sup> workshop at NCCNA; beyond that, we need to coordinate with the 4 "Zones", and if we are going to rotate the Areas that would host this year's Workshops would be:

Zone 1: Humboldt

Zone 2: Napa Solano

Zone 3: East Bay Central (Sacramento was not in the guidelines, but appears to have been considered as Zone 3)

Zone 4: Mission Peak

Assuming the Region wishes to follow these guidelines, and has the same interpretation, we will need to meet with the RCMs from these Areas and begin to coordinate locations and dates.

#### *Budget:*

*Each zone may spend a maximum of \$500 for their bi-annual CAR assemblies. The total RSC cost annually will be a maximum of \$2000. Budgeted cost includes Facility cost and fliers for all meetings within the zone. The fliers must be distributed 2 months prior to the assembly and the number of fliers will be determined by the number of meetings and/or groups within the zone. Copies of all pertinent information, needed for the assemblies will be provided by the RSC, at additional cost, above the \$2000 budgeted for the assemblies. The content of this information will be determined by the RD and RDA, and will be consistent at all assemblies.*

We also wanted to call out the responsibilities of the Host Area RCM:

#### *Host Area RCM*

- 1) Coordinates with the RDA to arrange the dates and location of the CAR assemblies within their zone.*
- 2) Distributes fliers to all areas within the zone 2 months prior to the assembly.*
- 3) Works with the host area or areas within the zone to put on an event, if the area desires, in conjunction with the CAR assembly. Financially supported by the area or areas involved.*
- 4) Performs misc. tasks as needed.*

We look forward to the opportunity to give these workshops, and to facilitate voting and an understanding of our Region's conscience as relates to the 2018 CAR and CAT.

#### **FIPT**

##### *Section 1: Name of the Trust*

*The name of this trust shall be "The Fellowship Intellectual Property Trust."*

##### *Section 2: Creation of the Trust*

*The Trustor, the Fellowship of Narcotics Anonymous as given voice by its groups through their regional delegates at the World Service Conference, does hereby reaffirm and restate its transfer, assignment, and conveyance of all NA recovery literature, trademarks, service marks, and all other intellectual property to Narcotics*

*Anonymous World Services, Inc. as Trustee, to hold and administer in accordance with this Trust document and its purpose.*

##### *Section 3: Nature of the Trust*

*The Trustee shall hold the Trust Properties as a perpetual charitable trust, subject to revocation by the Trustor, and shall use the properties and income derived therefrom exclusively for the charitable and educational purposes described in the statement of purpose below, and for the payment of the incidental*

*expenses and costs of the administration of the Trust.*

#### *Section 4: Purpose of the Trust*

*The sole object and purpose of this Trust is to hold and administer all recovery literature and other intellectual properties of the Fellowship of Narcotics Anonymous in a manner that will help addicts find recovery from the disease of addiction and carry that message of recovery to the addict who still suffers, in keeping with the Twelve Steps and Twelve Traditions of NA.*

There is a section of the document that provides for a Region to request an inspection of the Trustee's activities, as follows:

#### *SECTION 3: INSPECTION OF TRUSTEE ACTIVITIES*

##### *Conditions of inspection*

*Any regional service committee or equivalent service body may inspect the records and operations of the Trust on behalf of the Beneficiary, provided the following conditions are met.*

- 1. A motion to conduct an inspection of the Trust must be approved by a regional service committee or its equivalent.*
- 2. The regional service committee wishing to inspect the Trust must assume the expense associated with the participation of its own representative in the inspection. All other costs associated with the inspection shall be borne by the Trustee.*
- 3. The regional service committee must present a written request for inspection of the Trust, detailing its concerns and any particular areas of Trust operations it wishes to inspect.*

##### *Selection of inspection team*

- 1. The regional service committee requesting the inspection will select two members of the World Board for inclusion on the inspection team. These two members will facilitate the inspection.*
- 2. The regional service committee requesting the inspection will designate one of its participants to be included on the inspection team.*

##### *Inspection limitation*

*A Trust inspection conducted by a regional service committee on behalf of the Beneficiary may examine any aspect of the Trustee's operations, including all records, with the exception of documents privileged by law, including but not limited to the Trustee's personnel records.*

##### *Report of inspection*

- 1. One of the two inspection team members drawn from the World Board will develop a report of the team's findings relative to the region's stated concerns. The report will include full documentation of the inspection team's findings.*
- 2. The final report, along with a copy of the original request for inspection, will then be published in the next Conference Report.*

##### *South Florida's request*

On April 17, 2017, South Florida exercised this provision, sending NAWS a letter that in part read as follows:

As per the Fellowship Intellectual Property Trust (updated May 2012) pages 16-17, in accordance with Article V: Rights and Responsibilities of the Beneficiary, and by motion made and approved by the South Florida Region at our December 16, 2016 RSC meeting, we herewith request an inspection of the records and operations of the Trust as well as Trustee activities. The following is a list of our concerns and particular areas of Trust operations we wish to inspect (unless otherwise noted, the period of the records requested are the fiscal years ending June 30, 2015 and June 30, 2016).

The letter then proceeds to outline a number of concerns, as the rationale for the request:

*Concern: That literature margins, developmental literature, developmental subsidies, and allowances are being overstated by recording the developmental items and allowances at values greater than cost. We wish to inspect all financial records, documents, and general ledger postings to developmental literature, subsidies, and allowances accounts. We also wish to inspect all records/calculations relating to the cost of literature.*

*Concern: That all World Board expenses are not being reported accurately and completely. We wish to inspect all financial records for the World Board posted to World Board or other general ledger accounts, and any reconciliations to World Board expenses in the financial statements included in annual reports.*

*Concern: That all commercial interests in literature distribution centers outside of the United States have not been disclosed or reported to the fellowship. We wish to review all documents, minutes (internal WB and EC) and financial records relating to ownership or interests in distribution centers around the world.*

*Concern: Customer discounts are not being applied equally to fellowship and non-fellowship sales. We wish to inspect a list of the twenty largest (in terms of annual sales) fellowship and non-fellowship customers as well as invoices to those customers.*

*Concern: That all travel expenses are not being reported correctly to the fellowship, and Trust financed travel is not being reimbursed according to the guidelines outlined in the Guide to World Services (GWSNA). We wish to examine all travel-related financial documents (general ledger details, expense reports, reimbursement request forms, travel receipts, etc.) as well as all Executive Committee minutes where decisions were made to exempt room-sharing.*

*Concern: That the Trustee is not performing its duties noted in the Fellowship Intellectual Property Trust as it relates to the designation and separation of Trust and non-Trust property. We wish to inspect all lists, designations and separations of Trust and non-Trust properties.*

*Concern: Credit card guidelines as outlined on pages 34-35 of the 2016 GWSNA are not being followed. Records requested include all EC minutes approving the issuance of credit cards for WSC responsibilities; All signed condition of use forms; Invoices or other accompanying documentation for temporarily issued credit cards, credit card receipts, expense statement(s), and accompanying invoice(s) resulting in card use; and all EC reports resulting from their quarterly audits and/or reviews of WSC credit card activity.*

*Concern: That World Convention (WCNA) costs are not being reported accurately and completely due to the combining of non-WCNA expenses into them. We wish to review all financial records and backup receipts for all expenses reported for the world convention in Brazil.*

*Concern: That all commercial interests in literature distribution centers outside of the United States have not been disclosed or reported to the fellowship. We wish to review all documents, minutes (internal WB and EC) and financial records relating to ownership or interests in distribution centers around the world.*

*Concern: That all World Service Conference expenses are not being reported accurately and completely. We wish*

*to inspect all financial records for World Service Conference expenses posted to World Service Conference or other general ledger accounts, and any reconciliations to World Board expenses in the financial statements included in annual reports.*

*Concern: There is an appearance that NAWS is targeting NA service bodies over non-NA entities in the enforcement of the FIPT as it relates to the online posting of our copyrighted literature. We wish to inspect all Digital Millennium Copyright Act (DMCA) takedown notices sent by NAWS over the course of the inspection period.*

And then concludes as follows:

*The South Florida Region designates its Regional Delegate, Jeffrey Paul to be included on the inspection team, and selects Jack Hovenier as one of the two World Board members on the inspection team. The South Florida Region authorizes and allows the World Board to select the second World Board member on the inspection team.*

*We estimate the inspection could take a week to perform and would like to schedule it for some time in either July or August of 2017.*

The World Board met on July 21, and then issued a response on August 29, 2017. Here are some of the highlights, to get a sense of their position:

*“The World Board is taking this request seriously, and has spent significant time and resources in addressing its form and contents. This letter outlines the action requested of the South Florida Region in furtherance of the request after a detailed discussion and analysis by the World Board.”*

*“We all are aware that this is the first time a region has sent a request for inspection, so we are all covering new ground here. The World Board will therefore be sending the South Florida Region's request to the World Service Conference for guidance, inasmuch as Section 3 of Article V of the Operational Rules of the FIPT, set forth below, makes clear that any inspection is to be made on behalf of the Beneficiary, which the FIPT defines as the Fellowship of Narcotics Anonymous as a whole.”*

This part of the response in particular generated some concern – as it seemed to suggest that despite the FIPT appearing to state that a Region could request an inspection, that NAWS was looking for the conscience and support of the entire fellowship before moving forward with the request.

However, NAWS did go on to add additional clarification and rationale:

*“The World Board believes that the concerns in a written request must be specifically approved in the underlying motion of the regional service committee, after discussion and deliberation.*

*We asked for the underlying motion and were provided the minutes of the December 17, 2016, motion of the South Florida Region. The motion, identified as Motion 12-05-16, reads as follows:*

*We agree in principle that the South Florida Region request an inspection of the records and operations of NA World Services per the Fellowship Intellectual Property Trust (FIPT) dated May 2012 in accordance with ARTICLE V: RIGHTS AND RESPONSIBILITIES OF THE BENEFICIARY pages 16-17.*

*This motion is most general in nature, seeking a review of records and operations of*

*Narcotics Anonymous World Services, Inc., not the Trust, without mentioning the records and operations of the Trust or detailing concerns or any particular areas of Trust operations the South Florida Region wishes to inspect. If, as it appears, this is the sole motion approval by the South Florida Region of the request for inspection, the World Board does not see how the request complies with the requirements of the Operational Rules or is capable of appropriate response.”*

They also added:

*“We feel, and the Operational Rules and comments support, that an inspection request is to address legitimate factual concerns in a region that arise out of the unique nature of the Fellowship with respect to the Trust. The request for inspection should therefore be completely consistent with the supporting motion and discussions at the region. Without this, a vague and seemingly innocuous motion can be used as the basis for a request for inspection on completely different issues, or without any real understanding by the region of the time, personnel hours needed, financial costs, and problems within the Fellowship that a request for inspection without a true foundation will cause.”*

And:

*“The Operational Rules lay out a process that needs to be followed, and the April 17, 2017, request for inspection you have sent does not follow the process. First, the ten “Concerns” listed are not consistent with the matters discussed in the December 17, 2016, minutes for South Florida Region of Narcotics Anonymous 29 August 2017 3 Motion 12-05-16. Second, each Concern is followed by a request to review wide categories of documents and sometimes documents that do not even relate or respond to that Concern.*

*Finally, responding to any request for inspection is going to be expensive. In addition to the region’s cost, estimated at \$2,000, there is the expense of personnel at NAWS who will be taken off their regular duties to deal with this, plus the charges from trusted servants and outside accountants and lawyers to review and deal with the request, locate documents, and then participate in the inspection.”*

It is true that the writer of the letter from South Florida has subsequently admitted that operational procedure was not followed, that the concerns that were articulated in the letter to NAWS were not reconciled against the Florida minutes, and has apologized for that.

And finally:

*“The minutes for Motion 12-05-16 continue with three more paragraphs under the headings of “Intent” and “Related Issues.” Assuming those paragraphs can be construed as the attempt of the South Florida Region to detail its concerns and identify the particular areas of Trust operations it wishes to inspect, we make the observations below about each of those paragraphs.*

*The following paragraph of the motion minutes is headed “Intent” and reads as follows:*

*To hold Narcotics Anonymous World Services, Inc (NAWS, Inc) accountable to the fellowship and to accurately account for all money coming in and out of NAWS as well as looking at literature related contracts between NAWS, Inc and outside organizations. In all the time since the FIPT was created this has never been requested. It is time to do so!*

*Again, the statement in the first half of the first section of this paragraph relates only to NAWS without referencing the Trust or distinguishing between the operations of NAWS that relate to the Trust and those that do not. The second half of the first sentence relates to the operations of the Trust, but does not detail any concern or the basis for that concern.*

*The next paragraph of the motion minutes is headed "Related Issues" and reads as follows:*

*Related Issues: The current financial statements coming out of NAWS, Inc do not tell us what they are spending money on except in highly generalized terms. They refuse to clarify their financial information claiming that what they have provided is in accordance with California and Federal law. They also refuse to state what kind of deals they make with outside organizations in relation to literature sales saying they don't legally have to.*

*This paragraph is also general in nature, beginning by addressing all NAWS activities without limitation to the Trust and ending with a specific issue related to literature sales but failing to detail a concern."*

So in summary, what NAWS is saying by way of response can be described as follows:

1. The South Florida Region is not the Beneficiary, and therefore the WSC should be supporting this request before NAWS satisfies it.
2. The Motion as written by South Florida does not tie directly back to the minutes of the South Florida region, by articulating concerns not expressed at that Region, and therefore doesn't follow the Operating procedure.
3. The requests being made are effectively for an inspection of NAWS, with requests that fall outside of NAWS acting as Trustee as outlined in the FIPT.

There is also an addendum, listing the concerns outlined by the South Florida Region, and providing NAWS' response to each one. For those who wish to read it and learn about this further, we have attached that document to this report.

This Region will need to develop a conscience on this; it is referenced in the CAR, will undoubtedly come up at the World Service conference, and some of our own areas are already taking positions and action related to this request.

In terms of the latest developments, current understanding is that South Florida has formed an ad-hoc to look into getting legal representation, and this may be heading to the court system if things continue on their current course.

Shannon and Jimmy Lee