

THE ALCOHOLIC FOUNDATION

NATIONAL HEADQUARTERS—ALCOHOLICS ANONYMOUS

BOX 658

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CHURCH STREET ANNEX

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NEW YORK CITY

Aug. 11, 1941

Dear Doc:

Thanks for your last. The question we raise is this - why do you come to Bedford Hills for three days when you should come for three weeks or three months? Can't you at least start a week earlier than you planned - say around September 10th? Failing that, the sooner after the 15th the better, as everyone thinks that I should take a trip around and visit some of these groups, particularly the newer ones, in order to insure the support of the Vesey Street office, etc. etc.

Brother Stanley has been at the house for two or three days. What a swell guy that fellow is! From his account of your finances I have revised my own plans a little bit.

As I guess I wrote you, I had to borrow \$500.00 to get the furniture out of hock, the first payment made, etc. on Bedford Hills, and I'm not quite through yet as I still have to buy coal and the guy from whom I borrowed the \$500.00 needs some of his money back. That is why I asked you a while ago if I might take a \$500.00 swipe at those back royalties - you to endorse the check over to Lois.

But I gather the impression that maybe you need some of this dough just as much as I do so I have pried \$500.00 out of the book and I am sending you herewith two checks, one for \$300.00 endorsable back to Lois and one for \$200.00 which I want you to hang on to if you are pressed in the least. Despite the summer lull the book is selling very well and since we have an article coming out in the New York World-Telegram on its feature page opposite General Johnson, Pegler, etc., right after Labor Day, I know the book is going to do a lot better during September and October.

Consequently there is little doubt that we can withdraw \$500.00 more in October which, in case you retain the \$200.00 now, I will give you \$300.00 and take \$200.00 at that time. If you don't need the money now I will take the whole \$500.00 and send you a like amount in the latter part of October.

But be sure to keep the \$200.00 I am sending now if you need it for I'm just as well able in all probability to cut corners until October as you are.

There seems to be real hope of clearing up the back debt as per the plan outlined to the Trustees some weeks ago a copy of which you have. Mr. Richardson is showing some signs of puckering up to ask John to clean the matter up in one way or another. If so that would give you more than \$1000.00 in cash on back royalties at once. Here's hoping!

Moreover I think the groups are going to contribute more heavily all the time to the support of the office, thereby taking the heat off the book and thawing out its income for other purposes. ~~as usual in working the~~ ~~book out of its income~~ And, of course, the debt retirement plan would free the book of its heavy burden.

I'm enclosing you a recent copy of report to stockholders of Works Publishing Inc. so that you can see how well and surely, though slowly, the thing is working out.

The New York gang is coming on nicely these days both with respect to quality and size. I'm inclined to think the World-Telegram article, which is a strong one, may increase its membership to the size of Cleveland.

We wish you would tell us what there is to these reports we get about your health. I don't like them a bit. And if they are true, why in heavens name don't you come down here for a good long stay with us. We are pretty well insulated from the A.A. at Bedford Hills when we want to be. Opinion is unanimous out your way that you are going to get damn sick unless you let up. I beg of you Bob to drop that situation out there for as long as is necessary. And don't worry about finances. In addition to what can be done from this end I know for a fact that there are hundreds of appreciative people only too glad to do the necessary. That may not be an entirely pleasant outlook for I can remember quite vividly when they were passing the hat for me down here. I didn't like that too much but had to accept the idea in order to keep going and get certain necessary things done. In retrospect I realize it was a good experience, for that famed Yankee self sufficiency, of which I had too much, received a healthy and much needed wallop.

Now once more -- come down and stay a week or a month or a year. God has been very good to both of us and I know of no reason why His benefactions should cease, especially to you. No worries now! And much much love to my Annie.

Bill

To: Dr. R. A. Smith - Trustee

6/23/41

TO THE BOARD OF TRUSTEES OF THE ALCOHOLIC FOUNDATION.

Gentlemen:

This is a proposal to readjust the status of The Alcoholic Foundation and Works Publishing, Inc., publishers and distributors of the book "Alcoholic Anonymous".

The legal and accounting relationship which exists between The Alcoholic Foundation and Works Publishing, Inc. at the present time is as follows:

1. The Alcoholic Foundation owns more than 5/8 of the capital stock of Works Publishing, Inc.
2. Two of the Trustees of The Alcoholic Foundation, Messrs. Taylor and Crystal are President and Vice President of Works Publishing, Inc.
3. The Alcoholic Foundation and Works Publishing, Inc. have jointly maintained an office at 33 Vesey St. for something more than a year.
4. Works Publishing, Inc. signed the lease for the office but has been reimbursed each month by The Alcoholic Foundation to the extent of 50% of the rent.
5. In like manner substantially all of the overhead expenses at the Vesey St. office, including salaries, telephone and postage have been defrayed 50% by The Alcoholic Foundation. Save with one or two exceptions, Works Publishing, Inc. has been issuing its own checks in payment of all expenses and has then reimbursed itself to the extent of 50% by drawing upon The Alcoholic Foundation.
6. This arrangement functioned until March 1st of this year when the Saturday Evening Post article greatly increased Vesey St. office expenses, making it necessary to ask the A.A. groups for contributions payable to The Alcoholic Foundation.
7. The Foundation has since received approximately \$1000.00 from the groups

along with instructions that these monies be placed in a separate account to be known as "A.A. Operating Expenses" intended to defray the overhead at the 20 Vesey St. office.

8. At the time the groups were solicited for these monies, a budget for the year commencing March 1st was submitted in which it was proposed that during the year the groups raise \$4000.00, that the book contribute \$3000.00 and that Mr. Rockefeller's donation of \$1000.00 be applied to the "A.A. Operating Expenses" fund.
9. To date the funds contributed by the A.A. groups and Mr. Rockefeller's contribution have not been set up as a separate account on The Alcoholic Foundation books nor have these monies been drawn upon by the Vesey St. office.
10. Nearly all of the expenses of the Vesey St. office have been defrayed since March 1st out of Horke Publishing, Inc. funds.
11. From March 1st until June 1st, these expenditures by Horke Publishing, Inc. for its own and The Alcoholic Foundation account have been in amount \$1854.00.
12. It is therefore clear that whatever the future accounting arrangements may be, The Alcoholic Foundation should not reimburse Horke Publishing, Inc. for the total expenditures of these three months. At the same time, Horke Publishing, Inc. should issue its check to The Alcoholic Foundation for \$750.00, representing three months at \$250.00 as outlined in the budget submitted to the groups.

At the last Trustees meeting it was conceded that a readjustment for the period since March 1st as suggested above would have to take place, but the question was raised whether this particular policy of disbursement and accounting should be continued in the future. It was thought that perhaps it would be unwise to mix the book funds and The Foundation funds in any way - that possibly two