
Civil Air Patrol
Board of Governors Meeting Minutes
7 December 2005
Washington DC

Chairman, Civil Air Patrol Board of Governors
Lieutenant General Nicholas B. Kehoe, USAF (Ret)
President, Congressional Medal of Honor Foundation

Vice Chairman, Civil Air Patrol Board of Governors
Major General Antonio J. Pineda, CAP
Civil Air Patrol National Commander

Members Present

Brigadier General Paul M. Bergman, CAP
Member-at-Large

Major General Richard L. Bowling, CAP
Member-at-Large

Brigadier General (Select) Francis L. Hendricks, USAF
Senior Military Assistant to the Assistant Secretary of the Air Force, Headquarters
United States Air Force

Lieutenant General John D. Hopper, Jr., USAF (Ret)
CEO, Air Force Aide Society

Col Larry D. Kauffman, CAP
Civil Air Patrol National Chief of Staff

Rear Admiral David R. Nicholson, USCG (Ret)
Department of Homeland Security

Lieutenant General Charles Searock, USAF (Ret)
General Aviation & Technology Consultant

Major General John M. Speigel, USAF (Ret)

Mister Bruce N. Whitman, President
FlightSafety International Incorporated

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Schedule

CALL TO ORDER
Lieutenant General Nicholas B. Kehoe, USAF (Ret)

PLEDGE OF ALLEGIANCE
Major General Antonio J. Pineda, CAP

ROLL CALL
Mr. Don R. Rowland

RECOGNITION OF NEW MEMBERS AND VISITORS
OPENING REMARKS
Lieutenant General Nicholas B. Kehoe, USAF (Ret)

CIVIL AIR PATROL BOARD OF GOVERNORS AGENDA

CLOSING REMARKS
ADJOURNMENT
Lieutenant General Nicholas B. Kehoe, USAF (Ret)

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Opening Announcements

CALL TO ORDER. Lt Gen Nicholas B. Kehoe, USAF (Ret), Chairman, Civil Air Patrol Board of Governors, called the meeting to order. Maj Gen Pineda, CAP, National Commander, and Vice Chairman Civil Air Patrol Board of Governors, led the group in reciting the Pledge of Allegiance. Mr. Don Rowland, Executive Secretary, called the roll and noted that there was a quorum.

THE CHAIRMAN thanked everyone attending this December meeting of the Civil Air Patrol Board of Governors. He noted two new members of the board: Maj Gen John M. Speigel, USAF (Ret), who has previously served on this board; and Maj Gen Scott Mayes, USAF, Commander of the 1st Air Force, who was unable to attend this meeting. The Chairman also welcomed and introduced Lt Gen Stephen Lorenz, USAF, the new Air University Commander, who wanted to attend this meeting because he has oversight responsibility for Civil Air Patrol; and Brig Gen (sel) Fran Hendrix, USAF, Senior Military Assistant to the Assistant Secretary of the Air Force (Manpower and Reserve Affairs), who was appointed to attend this meeting due to the unavailability of Maj Gen Mayes.

THE CHAIRMAN commented on a meeting yesterday with the Honorable Michael Dominguez, Assistant Secretary of the Air Force, which included: Lt Gen Kehoe, USAF (Ret); Maj Gen Pineda, CAP, National Commander; Col Hodgkins, USAF, Commander, CAP-USAF; Mr. Don Rowland, Civil Air Patrol Executive Director and Board of Governors Executive Secretary; Brig Gen Bergman, CAP, BoG member-at-large, and others. The meeting was for the purpose of updating Secretary Dominguez on recent activities of Civil Air Patrol. Secretary Dominguez has expressed a desire to stay aware of the activities of Civil Air Patrol and to remain supportive in order to keep the Secretary of the Air Force involved and supportive to the extent necessary for the future of CAP.

THE CHAIRMAN also commented on a meeting he and Major General Pineda had with the Secretary of the Air Force the previous day. General Pineda, CAP had briefed the SECAF on the missions and accomplishments of Civil Air Patrol and what the auxiliary does, not only for the Air Force but other departments of government and agencies across the country.

THE CHAIRMAN acknowledged the attendance of the other people who usually attend the BoG meeting. He thanked the staffs of CAP National Headquarters and CAP-USAF for all their efforts to ensure the success of this meeting. He especially noted the value of the Decision Papers included in the agenda.

Agenda Item: 1

Approval of Previous Minutes

Background

The BoG met last on 8 June 2005 in Washington DC. The December 2005 meeting of the Board of Governors is to review and approve the previous meeting minutes.

Proposed BoG Action

That the Board of Governors approve the 8 June 2005 minutes.

Funding Impact

None.

Committee Recommendation

None.

BoG Action

MAJ GEN BOWLING, CAP, moved and MAJ GEN PINEDA, CAP, seconded a motion that the BoG approve the minutes of the 8 June 2005 minutes.

THE MOTION CARRIED UNANIMOUSLY

Agenda Item: 2

CAP National Commander's Report

Background

Maj Gen Antonio Pineda, CAP, will discuss the following Civil Air Patrol issues, plus other items of interest since the last meeting of the Board of Governors.

- a. Update on CAP activities.
- b. Items referred by CAP's August 2005 National Board Meeting and the November 2005 National Executive Committee Meeting. To be addressed in other agenda items. (Discussion in attached Decision Paper)
- c. Review of CAP's Legislative Agenda. (Discussion in attached Decision Paper)

Proposed BoG Action

To be determined.

Funding Impact

To be determined.

Committee Recommendation

None.

BoG Action

MAJ GEN PINEDA, CAP, presented a slide briefing and reported a recent aircraft accident in Wyoming. He solicited suggestions on how to help prevent aircraft accidents beyond the current training provided by CAP.

There was discussion on possible corrective action and a suggestion to look at how we enforce standards with respect to CAP's more senior, experienced pilots rather than enforce some new standard.

THE CHAIRMAN thanked Mr. Whitman, President of FlightSafety International, for the support his company has provided to CAP in the safety area.

MAJ GEN PINEDA, CAP, discussed the following Civil Air Patrol issues:

- A. Update on CAP activities (see Appendix D)

- B. All items referred by CAP's August 2005 National Board Meeting and the November 2005 National Executive Committee Meeting were discussed in other agenda items.
- C. Review of CAP's Legislative Agenda. The proposal was for the BoG to endorse CAP seeking support from congressional representatives during CAP Legislative Day (March 2006) to include Civil Air Patrol as a beneficiary in the existing Public Safety Officers Benefit (PSOB) Act.

RADM NICHOLSON, USCG (Ret), moved and BRIG GEN BERGMAN, CAP, seconded a motion that the BoG endorse the Legislative Day Agenda topic of PSOB for CAP.

MOTION CARRIED UNANIMOUSLY

MAJ GEN PINEDA expanded on his meeting with the Honorable Michael Dominguez and the new Secretary of the Air Force, the Honorable Michael W. Wynn. Among other things, he briefed the Secretary on the Chaplain Services program and the plan to set up a database to identify in the CAP membership doctors, lawyers, nurses, carpenters, electricians, and other subject matter experts so they may be identified to assist in emergency situations.

DECISION PAPER

ON

ITEMS REFERRED FROM NB and NEC

- **PURPOSE:** To review items referred to the Board of Governors from previous National Boards or National Executive Committee meetings.

- **BACKGROUND:** All items referred from either the Aug 05 NB or the Nov 05 NEC meetings will be discussed in other agenda items.

- **DECISION:** None required.

DECISION PAPER
ON
FY06 LEGISLATIVE AGENDA

- **PURPOSE:** To endorse legislative agenda CAP would “champion” during its annual Winter National Board Legislative Day.

- **BACKGROUND:**

- On CAP Legislative Day held prior to the Winter National Board meeting, in Washington DC in March, CAP members visit their respective Congressional offices to thank their Representatives for their support, inform them on CAP actions in their district or state, and to seek their support for any CAP legislative agenda
- We anticipate one key issue for this Congress -- the inclusion of Civil Air Patrol as a beneficiary in the existing Public Safety Officers Benefit (PSOB) Act
 - For the past three Congressional sessions, CAP has sought support for this bill that has been before the Judiciary Committee
 - Originally to assist in recruitment and retention of law enforcement officers and firefighters
 - Expanded to include rescue squad or ambulance crews, FEMA employees, and state and local emergency management and civil defense agency employees
 - Pays one-time death benefit – amount indexed – currently \$283,000
 - Administered by Department of Justice
 - Formulated at request of Representative Darlene Hooley (D-5th Dist-OR) after fatal 1999 OR CAP aircraft accident
 - Would provide PSOB benefit if CAP member killed while performing Air Force assigned mission
 - Previously coordinated with SAF/LLP (Lt Col Denise Schultz)

- **DECISION:** Endorse the Legislative Day Agenda topic of PSOB for CAP

Agenda Item: 3

Executive Director's Update

Background

Mr. Don Rowland, Executive Director of CAP and Executive Secretary to the BoG, will update the BoG on the following items:

- a. FY05 Corporate and Appropriated Budget Year-end Review
- b. CY06 COLA (Discussion in attached Decision Paper)
- c. FY07 Appropriated Budget Recommendation
- d. Line of Credit Review
- e. Investments
- f. CAPMart Update (Discussion in attached Decision Paper)

Proposed BoG Action

To be determined.

Funding Impact

To be determined.

Committee Recommendation

The CAP Finance Committee has reviewed the financial data presented and forwarded these items through CAP's National Executive Committee for presentation to the Board of Governors.

BoG Action

MR. DON ROWLAND, Executive Director of CAP and Executive Secretary to the BoG updated the BoG on the following items. The Executive Director's Update is attached (Appendix E) and includes more detail on the financial information.

- A. FY05 Corporate and Appropriated Budget Year-end Review

LT GEN KEHOE, USAF, (Ret) stated that at the end of the BoG meetings he plans to send a summary to the Secretary of the Air Force. This summary will also serve as a means to bring to the Secretary's attention any problems that might be arising, especially in the budgeting area.

- B. CY06 COLA. The proposal was for the BoG to endorse a COLA determination for CY06 as it applies to all National Headquarters employees.

The Executive Director in consult with Human Resources and using a market data survey proposed and the Nov 05 NEC endorsed a 3.9% COLA.

MAJ GEN BOWLING, CAP, moved and MR. WHITMAN and LT GEN HOPPER, USAF (Ret) seconded a motion that the BoG endorse 3.9% COLA for calendar year 2006.

MOTION CARRIED UNANIMOUSLY

C. FY07 Appropriated Budget Recommendation.

COL KAUFFMAN, CAP, moved and RADM NICHOLSON, USCG (Ret) seconded a motion that the BoG approve the FY07 appropriated budget.

MOTION CARRIED UNANIMOUSLY

D. Line of Credit Review

The use of a line of credit has been minimized, but is still needed because the current insurance bill falls due at the end of the year.

E. Investments

There is an investment policy that governs CAP investments.

F. CAPMART Update. The proposal was for BoG endorsement to outsource the CAPMart function to Vanguard Industries, Inc. for the purpose of increasing revenue and decreasing a potential sales tax liability for this operation.

There was clarification that sufficient funds have been reserved to defray the cost of a tax liability, if needed.

MAJ GEN BOWLING, CAP, moved and COL KAUFFMAN, CAP, seconded a motion that the BoG endorse outsourcing the CAPMart function to Vanguard Industries, Inc., as proposed.

MOTION CARRIED UNANIMOUSLY

FOLLOW-ON ACTION: National Headquarters implementation of the plan to outsource the CAPMart function to Vanguard Industries, Inc.

DECISION PAPER**ON****COST OF LIVING ADJUSTMENT (COLA) FOR NHQ EMPLOYEES**

- **PURPOSE:** To endorse COLA determination for CY06 as it applies to all National Hq employees

- **BACKGROUND:**

-- Each year the Executive Director, in consult with Human Resources (HR), determines an appropriate COLA adjustment and makes that recommendation to the NEC for approval

--- The recently concluded Nov 05 NEC endorsed a 3.9% COLA

-- Market data survey as compiled by HR showed the following comparisons

--- State of Alabama: 6.0%

--- City of Montgomery: 5.0%

--- Air Force Civil Service: 3.1%

--- Published Consumer Price Index for the previous 12 months: 5.2%

-- 3.9% COLA can be implemented without increasing approved budget and without impacting program support

- **DECISION:** Endorse 3.9% COLA for calendar year 2006

DECISION PAPER
ON
OUTSOURCING CAPMart

- **PURPOSE:** To obtain endorsement to outsource CAPMart function to Vanguard Industries, Inc.

- **BACKGROUND:**

- CAP has operated CAPMart over 20 years as a profit center supplying members with apparel and uniform items unique to the CAP program
- Most years CAPMart returned revenue to the program, however, in the past few years, sales have declined...in FY04 CAPMart lost about \$200,000
- In FY05, CAPMart returned a profit of \$35,000 but that required more inventory control, a voluntary reduction in staff, and a management change
- Even with the return of profitability many issues remain: web site usability, financial software support, inventory control, sales tax collection, shipping charges, and management time needed to fix issues
- One solution would require a \$200,000 infrastructure improvement to fix most issues but any previous sales tax liabilities could remain while applying to each county and state for sales tax numbers...estimated at an additional \$350,000 exposure
- Preferred solution is to outsource the function to a company that provides fulfillment as their core business
 - Fixes all issues; over time would improve customer satisfaction; lessens any prior tax exposure as no new applications would be required; and a royalty for using CAP's name would return an estimated \$100,000 annually
- Reviewed four company proposals and visited three business sites
- Vanguard recommended for contract
 - CAP fits into their core business and company is positioned to add CAP to its current customer list of Young Marines, Junior ROTC, and other school programs
 - Committed to train customer service and expand market of new products
 - 5 year contract with renewal options

- Royalties, at current sales, would return \$108,000 to CAP's program
- Purchase CAPMart inventory for \$210,000
- Transition target of 1 January 2006
 - Working details but we would continue to take orders and forward to Vanguard
 - Link their web site to our site -- seamless to the customer
- CAPMart closeout costs paid with CAPMart account and no additional dollars would be required - estimated at \$68,000 (employee costs and contracts)
 - Currently employ 9 employees but would only be practical to retain two employees; the other 7 employees would be entitled to severance packages as described in our employee handbook... total estimate of \$52,000
 - Will need to buyout several contracts (phone, postage machine)
 - Any serviceable equipment and supplies will be returned to CAP wings
 - Cost can be paid from CAPMart account

- DECISION:

- Endorse outsourcing to Vanguard

Agenda Item: 4

Final Concept Review of CAP Foundation

Background

Mr. Stan Leibowitz, Headquarters Civil Air Patrol General Council, will present the final recommendations on the establishment of the Civil Air Patrol Foundation. (Discussion in attached Decision Paper)

Proposed BoG Action

That the Board of Governors vote to proceed with the CAP Foundation.

Funding Impact

To be determined.

Committee Recommendation

None.

BoG Action

MR. STAN LEIBOWITZ, HQ CAP General Counsel stated that the purpose of this proposal is to obtain CAP BoG approval to proceed with the establishment of an independent, non-profit, non-private foundation controlled by CAP, to receive contributions, bequests, gifts, etc. Funds will be invested and made available to support CAP programs and members' participation in CAP programs.

MAJ GEN PINEDA, CAP, moved and COL KAUFFMAN, CAP, seconded a motion that the BoG approve the following: (1) Establish the CAP Foundation as an Alabama, non-profit, corporation (forum of convenience), (2) File for non-profit status with IRS, and (3) Establish a Board of Directors consisting of the four (4) CAP appointees to the BoG and the CAP National Finance Officer.

MOTION CARRIED UNANIMOUSLY

FOLLOW-ON ACTION: National Headquarters proceed with establishment of the Foundation and an update on the CAP Foundation included in the June 2006 BoG agenda.

DECISION PAPER**ON****FINAL CONCEPT REVIEW OF THE CAP FOUNDATION**

- **PURPOSE:** To obtain CAP Board of Governors (BoG) approval to proceed with the establishment of an independent, non-profit, non-private foundation controlled by CAP, to receive contributions, bequests, gifts, etc. Funds will be invested and made available to support CAP programs and members' participation in CAP programs.
 - Previous BoG decision "approved in concept" the idea of establishing a Foundation with direction to come back to the BoG for a final concept review
 - Prior remaining issue was to formulate who would be the Board of Directors
- Why establish a Foundation?
 - To support and fund CAP activities not supportable by appropriated funds or corporate dues
 - Provides a vehicle to accept large donations, planned giving and estate gifts
- Advantages of a CAP Foundation
 - Will allow CAP to qualify as a United Way / Combined Federal Campaign national-level organization for donations
 - As a separate entity, not receiving federal funds, until Foundation generates significant resources, it will more likely be seen as truly "needy"
 - As a ".org" website, will not be tied to a ".gov" address
 - Use of the funds will be determined by the Foundation's Board of Directors and may allow broader support for programs
 - Can put major contributors on Board of Directors, increasing potential for large donations and continuity of gifts
- Disadvantages of a CAP Foundation
 - Sunk costs to establish (estimate \$5,000) and maintain (approx \$1,000 per year) (all corporate funds; no appropriated funds)

- Filing fees, bookkeeping and associated software, web development, hosting and maintenance, Foundation staff salaries
 - May divert contributions from CAP and other foundations that would have otherwise supported various CAP wings or local units
 - Any time spent on Foundation by NHQ staff will not be chargeable to our Cooperative Agreement
 - Not under direct BoG control (Per USAF/GC Opinion)
- **DECISION:**
1. Establish the CAP Foundation as an Alabama, non-profit, corporation (forum of convenience)
 2. File for non-profit status with IRS
 3. Establish a Board of Directors consisting of 4 CAP appointees to BoG and CAP/NFO

Agenda Item: 5

Audit Committee Report

Background

Brig Gen Bergman, Chairman of the Board of Governors' Audit Committee, will provide an update on recent activities and findings.

Proposed BoG Action

To be determined.

Funding Impact

To be determined.

Committee Recommendation

The Committee members will present and make any recommendations.

BoG Action

BRIG GEN BERGMAN, CAP, gave an abbreviated report on the Audit Committee meeting. The Audit Committee minutes are at Appendix F.

GEN BERGMAN, CAP, reported that the 2004 Single Audit completed by Wilson, Price, Barranco, Blankenship & Billingsley resulted in an unqualified audit—the first time for Civil Air Patrol. Two other audits, the CEMS (communications equipment management system) and the permission system (computer password) were also classified as unqualified. The Audit Committee approved expanded audits for next year to include two additional wings and one squadron, and also a beta test in the Virginia Wing. The Virginia Wing has developed a novel idea to serve as a “banker” to maintain and monitor all squadron funds—paying bills and spending squadron money as requested by the squadrons. If this endeavor proves to be a workable program, the plan will be tested in larger wings to evaluate its feasibility for all wings.

THE CHAIRMAN commended the Financial Management Director and staff for the tremendous progress in this area. He added that the Audit Committee has also been instrumental in improving the financial accountability in Civil Air Patrol, which will increase the trust and confidence in this organization.

LT GEN KEHOE, USAF (Ret) stated that since he assumed the role of Chairman of the BoG, he felt it appropriate to name someone else to sit with Mr. Whitman and Brig Gen Bergman, CAP, on the Audit Committee. He added that to maintain the balance of one representative each from the Air Force, Civil Air Patrol, and the civilian community, the replacement at this time should come from the Air Force. Lt Gen John Hopper, Jr., USAF (Ret) agreed to serve.

ACTION:

MAJ GEN BOWLING, CAP, moved and RADM NICHOLSON, USCG (Ret) seconded that the BoG approve Lt Gen John D. Hopper, Jr., USAF (Ret) as a member of the BoG Audit Committee.

MOTION CARRIED UNANIMOUSLY

BRIG GEN BERGMAN, CAP, as Chairman of the Audit Committee, expressed appreciation to Lt Gen Kehoe, USAF (Ret) for his service on the Audit Committee, which has been very beneficial.

Agenda Item: 6

AF/XOS-HA Update on the Status of CAP Initiatives

Background

Col Sheldon, AF/XOS-HA, will present an update on the status of the previously developed CAP Initiatives, "Top 12 Points."

Proposed BoG Action

To be determined.

Funding Impact

To be determined.

Committee Recommendation

None.

BoG Action

COL SHELDON/AF/XOS-HA presented a slide briefing on the status of the previously developed CAP Initiatives, "Top 12 Points." He also briefed an AF/XOS proposal, entitled "Flight Plan" to ensure an Air Force Auxiliary that seamlessly plugs and plays with joint forces and federal agencies across the spectrum of non-combat operations in the NORTHCOM and PACOM AORs.

See attached copy of the briefing slides (Appendix G).

Prior to his briefing, Col Sheldon read and presented a letter from Lt Gen Carrol H. Chandler, USAF, Deputy Chief of Staff, Air and Space Operations, Headquarters United States Air Force, to Maj Gen Antonio J. Pineda, CAP, dated 5 Dec 05, expressing gratitude to the volunteer members of CAP for the rapid execution and keen professionalism demonstrated by the Air Force Auxiliary in response to this year's hurricanes.

Agenda Item: 7

Litigation Update

Background

Mr. Stan Leibowitz, Headquarters Civil Air Patrol General Council, will update the Board of Governors on the status of litigation involving the Civil Air Patrol. (Discussion in attached Decision Paper)

Proposed BoG Action

To be determined.

Funding Impact

To be determined.

Committee Recommendation

None.

BoG Action

MR. STAN LEIBOWITZ, Headquarters CAP General Counsel updated the BoG on the status of litigation involving the Civil Air Patrol. There was one additional case briefed involving a female school teacher and sexual molestation of a minor male, while transporting the child to and from CAP activities.

DECISION PAPER
ON
GC LITIGATION UPDATE

- **PURPOSE:** To update Board of Governors on status of lawsuits against CAP

- **BACKGROUND:** Four current lawsuits against CAP. Details will be provided during BoG meeting. Any discussion on strategy employed or resolution of suits will require a closed-door session.

-- Allen v. CAP et al.

Venue: US District Court – Kentucky

Filing Date: 02/15/00

Allegations: Defamation/Negligence– Ex CAP KY wing commander made improper accusations on local TV news

Status: Letter from CAP/CC: “The CAP announces that it has resolved a lawsuit filed by Col. Denzil Allen. CAP acknowledges that Col. Allen was wrongfully suspended in May, 1999. Col. Allen is an honored and distinguished member.” Statement may be published by Allen.

-- Campbell v. CAP

Venue: Alabama U.S. District Court

Filing Date: 01/04/99

Allegations: Retaliatory termination

Status: 12 of 13 counts dismissed

Jury Trial: 7/02 – Verdict for CAP

Appealed to 11th Cir Ct of App – Vacated and remanded

8/13/04 Trial Court dismissed, finding that Campbell's failure to file post-trial motions left Campbell with no legal remedies.

Campbell appealed dismissal to 11th Cir Ct of App.

11th Cir Ct of App sent case back to trial court for new trial scheduled for Feb 06.

-- Hall v. CAP et al.

Venue: Suit filed Aug 05 in Federal district court in Texas

Allegations: Conspiracy to interfere with civil rights, slander, libel, fraud & misrepresentation, breach of fiduciary duty, theft & conversion of personal property, interference with prospective advantage, malicious prosecution, intentional infliction of emotional distress, negligence, breach of contract.

Status: Court granted motion for more definite statement, resulting in 2nd amended complaint, which is no better than before. Working with U.S. Attorney representing government agencies and employees. Filing motion to dismiss as to CAP and all CAP defendants. Considering motion for sanctions.

-- North Carolina Accident

Defendants: CAP, NCWG of CAP, Estate of Kennedy, Estate of Futrell, Cardinal Air LLC, Cessna, Lycoming, Precision Airmotive Corp, Edenton Aviation Services, Avfuel Corp.

Allegation: Wrongful death of non-member law enforcement officer killed in CAP airplane crash

Status: Filed claim against Government. Suits filed 6/23/04 and 7/15/04 in NC state court. CAP removed to federal court under FTCA. CAP resisting motion to remand to state court.

- **DECISION:** None required

Agenda Item: 8

Other Business

Background

All other business brought to the table by members of the Board of Governors.

Proposed BoG Action

To be determined.

Funding Impact

None.

Committee Recommendation

None.

BoG Action**ITEM 1. Professional Development**

MAJ GEN BOWLING, CAP, proposed that the BoG ask the National Headquarters staff and the National Board to look at ways to improve the selection process of all candidates for the offices of wing and region commander, National Commander, and National Vice Commander. He proposed background checks, to include psychological evaluations and credit checks, along with a minimum education level and a review of the individual's personality, integrity, and honesty, and credit checks be performed. He suggested that Air University could help CAP in this development. The second part of his proposal is the establishment of a senior leadership college, which would train a developmental pool of candidates who are aspiring to senior leadership at the wing, region, or national leadership level. The emphasis would be on core values, leadership, management, and human resource skills and this course would be a prerequisite for taking command. Also, this new senior leadership college would not replace the current commander's course held at National Headquarters nor the Squadron Officer School, Air Command and Staff College or Air War College that are available via correspondence distance learning. As a minimum, Gen Bowling would like for the BoG to embrace this proposal and send it to the National Headquarters for staffing with a report back to the BoG.

DISCUSSION:

LT GEN SEAROCK, USAF (Ret) stated that retention is more of a problem than recruiting and that one of the major problems in terms of retention is the quality of the leadership in place. Many people joining CAP are fairly well educated and want to be a

part of the CAP. But, when they experience poor leadership firsthand, they sometimes get the impression that CAP is a less than professional organization and so they leave. He agreed that when people move up in the ranks in CAP, they need to be more professional and need more credentials, and a background check would provide a start in that direction. He reemphasized, "If we improve the quality of the people who are running the Civil Air Patrol, we will retain more people who join CAP."

BRIG GEN BERGMAN, CAP, stated agreement with more professional training, but expressed concern about duplicating current background checks and increasing the costs already incurred. He was also concerned about pursuing psychological profiles and the possibility of additional problems.

COL KAUFFMAN, CAP, supported credit checks for wing commanders and above, but did not agree with psychological checks or establishing educational requirements.

RADM NICHOLSON, USCG (Ret) speaking from his experience in the Homeland Security area, cautioned about getting too involved in the privacy issues associated with background checks. Some questions to consider, "What are you going to disqualify for?" "What is your redress procedure?" "How much money are you going to put into this?" He added that CAP needs to think through very carefully those kinds of issues that would be encountered.

LT GEN KEHOE, USAF (Ret) stated that he sensed that quality leadership or improved quality and accountability is paramount and the board needs somebody else to work it, assuming the board agrees to move forward.

BRIG GEN BERGMAN, CAP, additionally stated that he understands the Air Force is going in the direction of additional leadership schools. If so, CAP may be able to get some invaluable experience in setting up some professional development through the Air University.

BRIG GEN PINEDA, CAP, stated that he thought other organizations were getting away from psychological checks, but the credit checks are definitely needed as evidenced in some recent situations. As far as the professional development, he is already looking for those qualities as he selects wing and region commanders, but agreed that maybe it is time to take the next step.

ACTION:

THE CHAIRMAN summarized that the Board tasks the National Headquarters to staff this issue, working with the volunteer leadership, take a working proposal to the NEC, then come back to the BoG with some options to be considered on how we can improve the leadership and professionalism of the CAP leadership, taking into account the details proposed.

FOLLOW-ON ACTION: National Headquarters tasking and inclusion in the May 2006 NEC and June 2006 BoG agenda.

ITEM 2. Membership Adverse Action Review Board (MARB)

MAJ GEN PINEDA, CAP, stated that in accordance with current policy/regulation, a newly appointed wing commander is on probation for 12 months and can be removed from the position without a stated reason. Then, when the MARB was established, one of its provisions allows any member removed from any command to have the right to appeal that dismissal. General Pineda contends that was never meant to apply to wing commanders in their probationary status. He proposed a change to the provisions of the MARB to not allow appeal for wing commanders removed during the 12-month probationary period.

MAJ GEN BOWLING, CAP, commented that the MARB was established to protect members from arbitrary dismissal or removal. He added that the MARB was not established to be all-inclusive. The adverse actions envisioned to come before the MARB were terminations and membership non-renewal, neither of which had to do with command removal. Commanders serve at the prerogative of the next-level commander until new commanders reach tenure.

RADM NICHOLSON, USCG (Ret) compared this situation to the rules of most service commands: A person can be appointed and removed from command but not removed from the service.

ACTION:

THE CHAIRMAN directed that, since this proposal will require a Constitution and Bylaws change, a specific change be presented for consideration at the next BoG meeting. He added that this probably needs to go before the Constitution and Bylaw Committee and the National Executive Committee before presentation to the BoG.

FOLLOW-ON ACTION: Tasking to the Constitution and Bylaws Committee and inclusion in the May 2005 NEC agenda and the June 2005 BoG agenda.

ITEM 3. Clarification of Air Force Oversight of Civil Air Patrol

LT GEN SEAROCK, USAF (Ret) stated there is a continuing problem with "oversight" and how the Air Force interprets the oversight requirements and how the Civil Air Patrol views oversight requirements. He referred to the Point Paper, "AF Implementation of 10 USC Sections 9441-9448". He also provided the following information: There continues to be confusion because guidance is not firm. Much of the guidance that CAP is operating under today is the result of a Memorandum from the Assistant Secretary of the Air Force for Manpower and Reserve Affairs, dated March 2005 to which CAP responded to with a 29-page rebuttal, which was for the most part ignored. Consequently, that Memorandum became the guidance that resulted in the recently released Air Force directives (AFP 10-27, AFI 10-2701) which will guide the rewrite of the Statement of Work. If the guidance is not sorted out, there will continue to be problems. As the CAP's capabilities continue to grow and are being used by more and

more organizations outside the Air Force and DoD, who pays for what and who has command and control over what in different circumstances needs to be clearly delineated.

LT GEN SEAROCK, USAF (Ret) proposed that the BoG view this situation as something that falls under its purview and charter something like a Broad Area Review so the BoG can serve as a referee.

COL HODGKINS, USAF, clarified that the new AFI 10-2701 states that, because assets are provided CAP under DoDGARs, the Air Force maintains an interest in the assets. He stated that since the publication of this directive there has been considerable improvement over the previous guidance, and the directive will be updated as required.

LT GEN KEHOE, USAF (Ret) suggested that as the staffs start rewriting the Statement of Work, which will translate Air Force regulations into how CAP is going to operate, if there are ambiguities, bring those back to the BoG so that the board can deal with them.

LT GEN SEAROCK, USAF, (Ret) asked the CAP National Commander if he wanted to pursue a Broad Area Review or was he satisfied that the problem has been taken care of.

MAJ GEN PINEDA, CAP, stated that he felt the policy needs to be reviewed to ensure that the document we have is something everyone can live with because right now there are still a lot of questions. He added that CAP's input was never considered before the Air Force opinion was released. He further stated that he would welcome some review to see if it is correct or not.

LT GEN KEHOE, USAF, (Ret) stated that AFPD 10-27 and AFI 10-2701 should guide the SOW rewrite, more so than the SAF/GC legal opinion. This was simply the opinion of the SAF General Counsel to the acting SECAF on how the relationship was formulated and should not be viewed as a source document for future rewrites of the SOW.

COL HODGKINS, USAF, stated that CAP-USAF is already collecting changes for the Statement of Work.

ACTON:

THE CHAIRMAN directed that, if any guidance is unclear, or unduly inhibits or restricts Civil Air Patrol, bring those to the BoG for review.

FOLLOW-ON ACTION: National Headquarters staffing and, if appropriate, a proposal to the BoG as an agenda item for a future meeting.

Agenda Item: 9

Next Meeting

Background

The BoG normally meets twice a year. In 2006, the proposal is to conduct the first meeting of the year on Wednesday, 7 June 2006 in the Washington DC area. (Discussion in attached Decision Paper)

Proposed BoG Action

That the Board of Governors vote to approve Wednesday, 7 June as the first 2006 meeting date and that it be held in the Washington DC area.

Funding Impact

To be determined

Committee Recommendation

None.

BoG Action

The Board of Governors approved 7 June as the first 2006 meeting date and that it be held in the Washington DC area.

DECISION PAPER
ON
NEXT BOG MEETING

- **PURPOSE:** To obtain Board of Governors (BoG) approval for their next meeting date and location.

- **BACKGROUND:**

- BoG is chartered to meet at least twice during the calendar year
- Historically meetings are held in June and December
- Last item on each BoG agenda is normally the selection of the next meeting date
- NHQ recommended next meeting date is Wednesday, June 7, 2006 in the Washington DC area

--- There are no national holidays or other significant events that would conflict with this date

- **DECISION:** Select Wednesday, 7 June 06, Washington DC, as the next BoG meeting date and location.