

NEC Minutes

**National Executive Committee
Meeting Minutes
21-22 May 2004**



Philadelphia PA

21-22 May 2004

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ATTEST:

OFFICIAL:

J. ROCK PALERMO, III
Colonel, CAP
National Legal Officer

RICHARD L. BOWLING
Major General, CAP
National Commander

Civil Air Patrol
National Executive Committee Minutes
21-22 May 2004
Philadelphia PA

OPEN SESSION

CALL TO ORDER	Maj Gen Richard L. Bowling, CAP
INVOCATION	Ch, Col James H. Melancon, CAP
PLEDGE OF ALLEGIANCE	Col Larry D. Kauffman, CAP
SAFETY PLEDGE	Brig Gen Dwight H. Wheless, CAP
ROLL CALL	Mr. Al Allenback, HQ CAP/EX
NATIONAL COMMANDER REMARKS	Maj Gen Richard L. Bowling, CAP
SENIOR AIR FORCE ADVISOR REMARKS	Col George Vogt, USAF
EXECUTIVE DIRECTOR UPDATE	Mr. Al Allenback, HQ CAP/EX
SAFETY BRIEFING	Mr. Gary Woodsmall, HQ CAP/SE

NATIONAL EXECUTIVE COMMITTEE

Maj Gen Richard L. Bowling, CAP	National Commander
Brig Gen Dwight H. Wheless, CAP	National Vice Commander
Col George Vogt, USAF	Senior AF Advisor
Col Larry D. Kauffman, CAP	National Chief of Staff
Col Donald B. Angel, CAP	National Finance Officer
Col Rock Palermo, CAP	National Legal Officer
Col Joseph C. Meighan, Jr., CAP	National Controller
Col Richard A. Greenhut, CAP	Northeast Region Commander
Col Charles S. Glass, CAP	Middle East Region Commander
Col William W. Webb, CAP	Great Lakes Region Commander
Col Antonio J. Pineda, CAP	Southeast Region Commander
Col Rex Glasgow, CAP	North Central Region Commander
Col Thomas L. Todd, CAP	Southwest Region Commander
Col Lynda C. Robinson, CAP	Rocky Mountain Region Commander
Col Merle V. Starr, CAP	Pacific Region Commander

Non-voting members:

Col William S. Charles, CAP	CAP Inspector General
Ch, Col James H. Melancon, CAP	Chief Chaplain Services

OTHER CORPORATE OFFICIALS

Mr. Al Allenback	Executive Director
Mr. Don R. Rowland	Senior Director, Strategic Comm. & Plans
Mr. Paul J. Capicik	Chief Information Officer
Mr. James L. Mallett	Director, Leadership Dev. & Membership Services
Ms. Susan Easter	Chief Financial Officer
Mr. John A. Salvador	Director, Operations
Mr. Mike Stewart	Director, Logistics & Mission Support
Mr. Stanley Leibowitz	General Counsel
Mr. James E. Shea	Director, Strategic Partnerships

AGENDA ITEM - 1

LG

Action

**SUBJECT: Ratification of Regulations
CAP/CS – Col Kauffman**

INFORMATION BACKGROUND:

New Constitution Article XX became effective 27 Feb 01. This provision requires that in the normal course of events regulations shall be adopted and maintained by the National Commander and shall be ratified by a majority vote of the National Board. These regulations have been staffed at National Headquarters and are in coordination at CAP-USAF and with the Legal Review Committee.

The following regulations are up for ratification:

<u>Number</u>	<u>Title</u>	<u>Remarks</u>
CAPR 60-3	<i>ES Training & Operational Mission</i>	
CAPR 123-3	<i>Civil Air Patrol Assessment Program</i>	

PROPOSED NEC ACTION:

That the National Executive Committee vote to ratify the proposed regulations.

ESTIMATED FUNDING IMPACT:

Cost of printing and distribution.

REGULATIONS AND FORMS AFFECTED:

All of the above.

CAP NATIONAL HEADQUARTERS' COMMENTS:

None.

CAP-USAF HEADQUARTERS' COMMENTS:

None.

COMMITTEE RECOMMENDATION:

None.

NEC ACTION:

A. CAPR 60-3, ES Training & Operational Mission.

COL SALVADOR/DO recommended tabling to allow time for a small group meeting at lunchtime to discuss this regulation.

COL KAUFFMAN/CS MOVED and COL GLASGOW/NCR seconded that the NEC table CAPR 60-3, ES Training & Operational Mission.

MOTION TO TABLE CARRIED WITH NO DISSENTING VOTES

CAPR 60-3, ES Training & Operational Mission--

Chapter 2, Operational Specialty Ratings/Performance Standards

COL GLASGOW/NCR stated that under current Air Force guidelines the CAPR 60-3 cannot be brought from the table at this time; however, as one of the coordinators of a CAP national activity, he is trying to figure out how to handle training this summer. He is proposing the NEC approve the new Chapter 2 with attachments 4 and 5—to replace the existing Chapter 2—of CAPR 60-3, and approve in concept the task guides that have been published and distributed to the field. He added that all of these documents have been previously posted for two 60-day comment periods and field comments have been included. CAP-USAF has approved these documents.

COL GLASGOW/NCR MOVED and COL ANGEL/NFO seconded to accept Chapter 2 and attachments 4 and 5 of CAPR 60-3, ES Training & Operational Mission, and the task guides.

MOTION CARRIED

FOLLOW-ON ACTION: Publication of Chapter 2 with attachments 4 and 5 of CAPR 60-3 and distribution to the field.

B. CAPR 123-3, Civil Air Patrol Compliance Assessment Program

COL CHARLES/IG stated that Gen Bowling brought this forward as an emergency regulation. He requested a delay to allow for evaluation of just-received changes and discussion. He reminded that when CAPR 123-3 is ratified, CAPR 60-2 will be rescinded. There was an administrative change to the title: “Civil Air Patrol Compliance Assessment Program.”

COL CHARLES/IG MOVED and COL PINEDA/SER seconded to table CAPR 123-3, Civil Air Patrol Compliance Assessment Program, until Saturday.

MOTION TO TABLE CARRIED WITH NO DISSENTING VOTES

ON SATURDAY THE NEC VOTED TO BRING CAPR 123-3 FROM THE TABLE

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COL CHARLES/IG stated that a new DRAFT CAP regulation, "Civil Air Patrol Policy on Suspected Misconduct, Fraud, Waste, and Abuse;" a DRAFT CAPR 173-2, "Financial Procedures for CAP Regions and Wings;" and the DRAFT CAPR 123-3, "Civil Air Patrol Compliance Assessment Program" are all interrelated and need to be approved as emergency regulations by the National Commander with the recommendation of the NEC. These three regulations will be handled separately.

CAP Policy on Suspected Misconduct, Fraud, Waste, and Abuse:

The following changes were made to the DRAFT:

Under the heading Introduction, last line of the third paragraph, and in all other places where the title of the regulation is referenced, add a comma after the word "misconduct" and delete the word "and"

Under the heading Purpose, line one, delete the word "company" and add the words "CAP Corporate"

Under the heading Definition, line one, add a comma after the word "acts" and add the following words after the comma: "or failure to provide oversight and proper monitoring,"

COL STARR/PCR MOVED and COL TODD/SWR and COL ROBINSON/RMR seconded that the NEC vote to recommend that the National Commander adopt the proposed policy on suspected misconduct, fraud, waste, and abuse, as briefed, as an EMERGENCY regulation.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Make changes, print, and distribution to the field.

CAPR 173-2, Financial Procedures for CAP Regions and Wings, (effective 1 October 2004)

Because there were so many suggested changes, there were recommendations to send back to committee or to put this regulation back on the web site for further comment before adoption.

COL WEBB/GLR MOVED and COL TODD/SWR seconded to approve the DRAFT CAPR 173-2 (E), *Financial Procedures for CAP Regions and Wings*, in concept; to post the regulation on the web site for a 30-day comment period; and then present to the National Commander for adoption as an emergency regulation.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Posting on the web site for 30 days, then presentation to National Commander for publication as an emergency regulation.

CAPR 123-3, Civil Air Patrol Compliance Assessment Program

COL TODD/SWR MOVED and COL PINEDA/SER seconded to approve the DRAFT CAPR 123-3 (E), *Civil Air Patrol Compliance Assessment Program*, in concept; that the regulation be posted on the web site for a 30-day comment period; and then presented to the the National Commander for adoption as as emergency regulation.

MOTION CARRIED WITH NO DISENTING VOTES

FOLLOW-ON ACTION: Posting on the web site for 30 days, then presentation to National Commander for publication as an emergency regulation.

AGENDA ITEM - 2

LG

Action

**SUBJECT: CAP Regulation Review Process
HQ CAP/EX – Mr. Allenback**

INFORMATION BACKGROUND:

The current regulation ratification process is too lengthy, consuming approximately 8.7 months of coordination. This process is currently under review by the National Headquarters staff.

The current ratification process includes a comment period of 60 days, in which a preliminary final draft is posted on the CAP web site so it is accessible to CAP volunteers for their comments. Copies of the preliminary final draft are also mailed to members of the National Board during this time period for a minimum comment period of 60 days.

PROPOSED NEC ACTION:

That the National Executive Committee vote to approve a modified ratification process requiring only 4 to 4.5 months. This process reduces the comment period to 30 days. During this comment period, the preliminary final draft will be posted on the CAP web site for review by CAP volunteers, CAP-USAF staff, and corporate staff. Copies will be mailed to members of the National Board for a minimum comment period of 30 days.

This process also includes review by the CAP Legal review committee.

ESTIMATED FUNDING IMPACT:

None.

REGULATIONS AND FORMS AFFECTED:

CAPR 5-1, *Ratification*.

CAP-USAF HEADQUARTERS' COMMENTS:

Concur.

COMMITTEE RECOMMENDATION:

None.

NEC ACTION:

BRIG GEN WHELESS//CV MOVED and COL TODD//SWR seconded to reject the PROPOSED NEC ACTION.

MOTION TO REJECT CARRIED WITH NO DISSENTING VOTES

AGENDA ITEM - 3

XP

Action

**SUBJECT: 2005 NEC and National Board Meeting Dates
HQ CAP/EX – Mr. Allenback**

INFORMATION BACKGROUND:

Proposed dates are:

<u>Event</u>	<u>Date</u>	<u>Location</u>
Winter National Board Meeting	4-5 Mar 05	Washington DC (Under Contract)
May 2005 NEC Meeting	13-14 May 05	Atlanta GA
August 2005 National Board Meeting	17-20 Aug 05	St Louis MO or Omaha NE
November 2005 NEC Meeting	4-5 Nov 05	Atlanta GA

PROPOSED NEC ACTION:

That the National Executive Committee vote to approve the proposed NEC and National Board Meeting dates for 2005.

ESTIMATED FUNDING IMPACT:

None.

REGULATIONS AND FORMS AFFECTED:

None.

CAP-USAF HEADQUARTERS' COMMENTS:

Concur.

COMMITTEE RECOMMENDATION:

None.

NEC ACTION:

COL GREENHUT/NER MOVED and COL ANGEL/NFO seconded the PROPOSED NEC ACTION, with the following changes: (1) Selection of St Louis MO for the Aug 05 NB meeting; (2) Change the location of the May 2005 NEC (1st choice) or Nov 2005 NEC (2nd choice) to Cincinnati, OH, in order to use a current \$3,500 hotel credit.

MOTION CARRIED WITH NO DISSENTING VOTES

AGENDA ITEM - 4

GC

Action

**SUBJECT: NCWG Hangar Disposal
MER/CC – Col Glass**

INFORMATION BACKGROUND:

In December, 2000, a portable hangar was donated to the NC wing. There is question about whether the transfer complied with North Carolina law or CAPR 173-4 and CAPR 66-1 with respect to property acquired by gift. Notwithstanding these issues, the hangar was put into use and used by the wing for about 3 years. In the fall of 2003, the NCWg/CC ordered that it no longer be used, intending to dispose of same, at which time the issue as to ownership/title was discovered by the wing legal officer. Approximately 8 months of back rent is being claimed by the FBO for unpaid rent of the ground on which the hangar stood.

The wing legal officer has entered into preliminary discussions with the FBO where the hangar is stored. The purpose was to explore the possibility of conveying such right, title and interest, if any, as CAP may have in the hangar to the FBO in exchange for forgiveness of any back rent and for a 10 year lease of tie-down space for the CAP airplane located at RDU airport. Additionally, to be included in such agreement would be a provision to hangar the plane, space permitting, in the event that severe inclement weather is predicted for the area. The FBO's initial reaction to this offer was favorable.

PROPOSED NEC ACTION:

That the National Executive Committee vote to approve that the North Carolina wing commander be authorized, on behalf of Civil Air Patrol, to transfer title to the portable hangar pursuant to an agreement, substantially as outlined above, to be approved by General Counsel.

ESTIMATED FUNDING IMPACT:

Minimal.

REGULATIONS AND FORMS AFFECTED:

None.

CAP NATIONAL HEADQUARTERS' COMMENTS:

Concur with the recommendation.

CAP-USAF HEADQUARTERS' COMMENTS:

None.

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COMMITTEE RECOMMENDATION:

None.

NEC ACTION:

COL GLASS/MER MOVED and BRIG GEN WHELESS/CV seconded the PROPOSED NEC ACTION.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION. North Carolina legal action to transfer title of portable hangar, as approved by General Counsel.

AGENDA ITEM - 5

GC

Action

**SUBJECT: Civil Air Patrol Foundation
CAP/CS – Col Kauffman**

INFORMATION BACKGROUND:

Civil Air Patrol governing bodies desire the creation of a national philanthropic program designed to create a significant stream of charitable gifts from the private sector. The Civil Air Patrol Foundation will provide the infrastructure necessary to implement necessary policies and procedures, involve top corporate officials and provide direction and counsel to Civil Air Patrol's regions, wings and squadrons.

PROPOSED NEC ACTION:

That the National Executive Committee vote to recommend to the Board of Governors the development of a 501(c)(3) organization to be incorporated as the Civil Air Patrol Foundation.

ESTIMATED FUNDING IMPACT:

To be determined.

REGULATIONS AND FORMS AFFECTED:

CAPR 173-4, *Fund Raising and Donations*.

CAP NATIONAL HEADQUARTERS' COMMENTS:

Concur. A national foundation will enable CAP to be listed with organizations such as Combined Federal Campaign and United Way. It will also allow for planned giving opportunities. A national foundation will enable recognition of significant donors by appointing them to the foundation's board of directors.

CAP-USAF HEADQUARTERS' COMMENTS:

None.

COMMITTEE RECOMMENDATION:

None.

NEC ACTION:

COL KAUFFMAN/CS MOVED and COL GLASGOW/NCR seconded the PROPOSED NEC ACTION.

MOTION CARRIED WITH NO DISSENTING VOTES

AGENDA ITEM - 6

LM

Action

**SUBJECT: NCASE Name Change
HQ CAP/EX – Mr. Allenback**

INFORMATION BACKGROUND:

For the past 37 years CAP has sponsored the National Congress on Aviation and Space Education (NCASE). This teacher conference is one of CAP's major educational outreach programs for schools and school teachers. NCASE features aerospace pioneers, current-day-experts, and educators from across the nation. The goal of NCASE is to create an aerospace education environment of enthusiasm, encouragement, and enlightenment for educators to convey to their students.

Over the years, the term "Congress" has tended to confuse teachers. The term "Congress" connotes a general assembly of governmental entities rather than an educational conference. In an effort to keep NCASE relevant to our nation's teachers, the term "Congress" in the title should be changed to "Conference." In this way, the title and purpose of NCASE will be more familiar to educators.

PROPOSED NEC ACTION:

The National Executive Committee vote to approve a name change from National Congress on Aviation and Space Education to the National Conference on Aviation and Space Education. The acronym "NCASE", which is familiar to past attendees, will remain the same.

ESTIMATED FUNDING IMPACT:

None.

REGULATIONS AND FORMS AFFECTED:

CAPR 280-2, *Civil Air Patrol Aerospace Education Mission*; CAPP 15, *Aerospace Education Officers' Handbook*, and CAPP 215, *Specialty Track Study Guide-Aerospace Education Officer*.

CAP-USAF HEADQUARTERS' COMMENTS:

Concur.

COMMITTEE RECOMMENDATION:

Development committee supports this change.

NEC ACTION:

BRIG GEN WHELESS/CV MOVED and COL KAUFFMAN/CS seconded the PROPOSED NEC ACTION.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Notification of change to the field and change to CAPR 280-2, CAPP 15, and CAPP 215.

AGENDA ITEM - 7

LM

Action

**SUBJECT: CAP Retired Member Participation
PCR/CC – Col Starr**

INFORMATION BACKGROUND:

Pursuant to CAPR 39-2, paragraph 3-1c, and CAPR 35-1, paragraph 7, retired CAP personnel will not actively participate in any capacity. Those same references also go on to state: "However, retired members retain the last grade earned as an active member and may wear the (current) CAP uniform as guests at CAP functions." Some retired members interpret the second portion as carte blanche to participate in as many functions as they can get away with. Attempts to stop them are countered by general counsel who states there is no legal definition of what constitutes an activity and what constitutes a function, therefore, they should be allowed to attend. Further, general counsel advises that a specific invitation is not required for many functions as published announcement for all members constitute an invitation. The heart of the problem is that these members can not be legally prevented from attending most activities and functions.

PROPOSED NEC ACTION:

That the NEC change the language in CAPR 35-1, paragraph 7 and CAPR 39-2, paragraph 3-1c to include the following sub paragraph:

"Participation by retired individuals. Once retired, individuals will not actively participate. Retired individuals may attend wing or region conferences and National Board meetings when the general membership is allowed to attend, i.e.: the summer National Board meeting. Attendance at other meetings, conferences, training sessions, or non-social activities conducted by CAP is not allowed. Attendance at social functions is authorized, but requires a formal or specific invitation and prior approval of the commander hosting the event. When appropriate, retired individuals may wear the current CAP uniform (with the last grade earned as an active member) when attending social functions as a guest. Retired individuals will not be listed on Military Support Authorizations."

ESTIMATED FUNDING IMPACT:

The cost of revising, publishing and distributing a change to existing regulations.

REGULATIONS AND FORMS AFFECTED:

CAPR 35-1, *Assignment and Duty Status*; and CAPR 39-2, *Civil Air Patrol Membership*.

CAP NATIONAL HEADQUARTERS' COMMENTS:

None.

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CAP-USAF HEADQUARTERS' COMMENTS:

Concur with concept.

COMMITTEE RECOMMENDATION:

Under review by the Development Committee.

NEC ACTION:

COL STARR/PACR MOVED and COL TODD/SWR seconded the PROPOSED NEC ACTION.

The NEC discussed amendments to the proposed NEC action

1. At the end of the third sentence, ADD: “, or invited by the host commander.”
2. Sentence six changed as follows: (1) word five: CHANGE “may” to “will.” (2) After the word “CAP” ADD the word “blazer.” (3) After parenthesis with reference to grade, ADD: “or appropriate civilian attire.”
3. At the end of the sub-paragraph ADD: “Once retired, the individual will be ineligible to return to active membership status without approval of the National Commander.”
4. At the end of the amended sub paragraph ADD: “While retired, any individual who brings discredit to CAP may be barred from attending any CAP event by the National Commander.”
5. At the end of the fourth sentence, ADD: “, unless the retiree is invited by the wing or region commander of the unit hosting the event.”

COL TODD/SWR MOVED and COL GLASGOW/NCR seconded TO AMEND the motion to include these changes.

THE AMENDED MOTION CARRIED WITH NO DISSENTING VOTES

NOTE: THE AMENDED SUB-PARAGRAPH READS AS FOLLOWS:

“Participation by retired individuals. Once retired, individuals will not actively participate. Retired individuals may attend wing or region conferences and National Board meetings when the general membership is allowed to attend, i.e., the summer National Board meeting, or invited by the host commander. Attendance at other meetings, conferences, training sessions, or non-social activities conducted by CAP is not allowed, unless the retiree is invited by the wing or region commander of the unit hosting the event. Attendance at social functions is authorized, but requires a formal or specific invitation and prior approval of the commander hosting the event. When appropriate, retired individuals will wear the current CAP blazer uniform (with the last

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grade earned as an active member) or appropriate civilian attire when attending social functions as a guest. Retired individuals will not be listed on Military Support Authorizations. Once retired, the individual will be ineligible to return to active membership status without the approval of the National Commander. While retired, any individual who brings discredit to CAP may be barred from attending any CAP event by the National Commander.”

FOLLOW-ON ACTION: Change to CAPR 35-1, *Assignment and Duty Status*; and CAPR 39-2, *Civil Air Patrol Membership*, and publication and distribution of changes.

AGENDA ITEM - 8

XP

Action

**SUBJECT: FY06-10 CAP POM
HQ CAP/EX – Mr. Allenback**

INFORMATION BACKGROUND:

Each year the November NEC reviews CAP's proposed POM submission. Air University, our input level, typically begins their review in December so this is our opportunity to review our submission, identify potential deficiencies in funding and validate new requirements as submitted to Air University.

The December 2003 Board of Governors (BoG) reviewed the submitted POM inputs that were forwarded to them from the November 2003 NEC meeting. The BoG had questions on a few of the POM inputs and asks that the item be briefed again at the June 2004 BoG meeting.

PROPOSED NEC ACTION:

That the National Executive Committee vote to approve the FY06-10 POM and forward to the BoG for final approval.

ESTIMATED FUNDING IMPACT:

To be determined.

REGULATIONS AND FORMS AFFECTED:

None.

CAP-USAF HEADQUARTERS' COMMENTS:

None at the time of printing.

COMMITTEE RECOMMENDATION:

None.

NEC ACTION:

MR. ROWLAND/XP briefed the update that will be presented to the BoG in June 2004. (See Atch 1)

Shortfalls in the POM are addressed under New Business.

THE NEC APPROVED THE PROPOSED NEC ACTION WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Inclusion in the Jun 2004 BoG agenda.

AGENDA ITEM - 9

GC

Action

**SUBJECT: CAP Self Insured Accident Benefit Program
CAP/NLO – Col Palermo**

INFORMATION BACKGROUND:

In 1984, the NEC established a self insured accident/death benefit program covering both senior members and cadets, funded from dues revenues. Benefits were payable for accidents on CAP activities at \$5,000 for death and \$4,000 for medical expenses (with certain exclusions from these coverages). In 1996 the NEC increased the death benefit to \$10,000 and the medical benefit to \$8,000.

Our current commercial liability insurance policy provides medical expense benefits up to \$25,000 per occurrence, subject to a \$2,500 deductible per occurrence, without proof of liability. Therefore, as an added benefit to members, CAP can increase the medical expense benefit to \$25,000 with no increase in CAP cost.

PROPOSED NEC ACTION:

That the National Executive Committee vote to approve an increase in the CAP self insured accident benefit program to \$25,000 per occurrence.

ESTIMATED FUNDING IMPACT:

None.

REGULATIONS AND FORMS AFFECTED:

CAPR 900-5, *The CAP Insurance/Benefits Program*.

CAP NATIONAL HEADQUARTERS' COMMENTS:

Concur with the recommendation.

CAP-USAF HEADQUARTERS' COMMENTS:

Concur.

COMMITTEE RECOMMENDATION:

None.

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NEC ACTION:

COL PALERMO/NLO MOVED and COL PINEDA/SER seconded that the maximum CAP member medical benefit be increased or decreased to reflect the greater of (1) the maximum member medical benefit coverage of our Corporate General Liability insurance policy or (2) \$8,000; and to authorizing changing CAPR 900-5 to reflect this amount without further action by the NEC or NB.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Change to CAPR 900-5, *The CAP Insurance/Benefits Program*, and publication and distribution of the change.

AGENDA ITEM - 10

GC

Action

**SUBJECT: Proposed Federal Law Changes
CAP/NLO – Col Palermo**

INFORMATION BACKGROUND:

Current Federal law provides that “Civil Air Patrol is a volunteer civilian auxiliary of the Air Force when the services of the Civil Air Patrol are used by any department or agency in any branch of the Federal Government” It further provides that “The Civil Air Patrol shall be deemed to be an instrumentality of the United States with respect to any act or omission of the Civil Air Patrol, including any member of the Civil Air Patrol, in carrying out a mission assigned by the Secretary of the Air Force.”

We have recently seen that the Air Force is severely restricting the missions it will assign to Civil Air Patrol, and that the Air Force will generally not assign to Civil Air Patrol missions requested by state or local government agencies. We have learned that the DoD considers the homeland security mission to be primarily a civilian mission, and primarily at the state and local level. In recent Congressional hearings, the DoD Undersecretary for Homeland Defense stated that in the area of Homeland Security, the DoD is a safety net, not a first responder. This position is incongruent with CAP’s ability to provide short-notice response at the local level.

This mismatch can be corrected through legislation. One possible fix would be to amend Title 10 to make Civil Air Patrol a volunteer civilian auxiliary of the Air Force only when the services of the Civil Air Patrol are used by and department or agency in the Department of Defense. To provide FTCA protection for CAP and its members when performing missions for any Federal department or agency, the language deeming CAP a federal instrumentality could be moved to *Title 36 (our corporate charter) and generalized to missions assigned by the head of any federal department or agency. The section currently in Title 10 that allows CAP to use assets purchased with appropriated funds for any of our corporate missions could also be moved to Title 36. Finally, to provide FECA coverage when we do missions for any federal department or agency, Title 41 (the FECA provisions) could be changed to provide FECA benefits when the head of any federal department or agency certifies that it was a department or agency assigned mission.*

PROPOSED NEC ACTION:

That the National Executive Committee recommends that the Board of Governors endorse the attached proposed legislation changes. That the National Executive Committee recommends that the Board of Governors submit the proposed legislation changes to the Air Force for inclusion in the FY06 Defense Authorization Act.

ESTIMATED FUNDING IMPACT:

To be determined.

REGULATIONS AND FORMS AFFECTED:

To be determined.

CAP NATIONAL HEADQUARTERS' COMMENTS:

None.

CAP-USAF HEADQUARTERS' COMMENTS:

Concur.

COMMITTEE RECOMMENDATION:

None.

NEC ACTION:

COL PALERMO/NLO MOVED and COL KAUFFMAN/CS seconded the PROPOSED NEC ACTION.

There was a lengthy discussion as to whether to proceed with recommended legislation changes in a well-developed package for the understanding of the Board of Governors, especially the new members coming on board, or wait until the current Air Force plans for homeland security are further developed.

COL PALERMO/NLO stated that he would recommend the NEC endorse the concept of facilitation or making CAP the resource of choice but not necessarily holding CAP to the proposal of changing legislation as the only way to resolve the issue.

COL WEBB/GLR MOVED TO TABLE and COL GLASS/MER seconded TO TABLE until Saturday to ensure that all NEC members have sufficient time to digest the importance of this issue.

MOTION TO TABLE CARRIED

ON SATURDAY, COL TODD/SWR MOVED and COL STARR/PCR seconded to move from the table.

MOTION TO MOVE FROM THE TABLE CARRIED WITH NO DISSENTING VOTES

COL TODD/SWR MOVED and COL STARR/PCR seconded that the NEC adopt the proposed NEC action in principle.

BRIG GEN WHELESS/CV MOVED and COL GREENHUT/NER seconded to table until the next NEC meeting.

MOTION CARRIED WITH NO DISSENTING VOTES

AGENDA ITEM - 11

NCS

Action

**SUBJECT: Committee Reports
NCS – Col Kauffman**

Committees

1. Finance Committee

Col Angel

COL ANGEL/NFO briefed and distributed Minutes of the Finance Committee Meeting, 20 May 2004 (Atch 2), with three attachments: (1) FY04 Corporate Budget Proposed Revision (Atch 3), (2) FY05 Corporate Financial Plan (Atch 4), and (3) FY05 Appropriated Financial Plan. (Atch 5).

The following actions were taken:

(a) Funding to Repair Marketing Balloon—damaged in Montana while being transported from Arizona to Illinois (Reference Minutes/paragraph 6)

New facts came to light during the discussion of this item. The balloon was purchased with corporate marketing funds to be used for recruiting purposes all over the country. The balloon is housed in Illinois and had been transported to Arizona for a function. There was a lengthy discussion on how to repair or replace this damaged asset. Gen Wheless highly recommended that the NEC identify the source of funding when authorizing expenditures.

COL GLASS/MER MOVED and COL PINEDA/SER seconded that the corporation (1) treat the damaged balloon as if it were a damaged aircraft, and repair it or replace it, in the same manner that CAP would a powered, fixed-wing aircraft, and (2) provide funding for this purpose up to \$7,000.00.

MOTION CARRIED

FOLLOW-ON ACTION: National Headquarters notification to region/wing for repair of balloon.

(b) Hull Self Insurance (H.S.I.) (Reference Minutes/paragraph 7)

Because the H.S.I. fund is depleted, the finance committee recommended that the NEC establish a committee to determine a new rate or basis for collecting premiums to replenish this fund. Following discussion by NEC members on ways to replenish this fund and the urgency to act, Col Angel recommended that the NEC make a decision for replenishing the H.S.I. fund at this meeting.

COL TODD/SWR MOVED and COL KAUFFMAN/CS seconded to access regions and wings \$60.00 per quarter per aircraft, including gliders and balloons, to replenish the H.S.I. fund.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Change to CAPR 900-6, *Hull Self Insurance (HSI)*, publication and distribution of change

(c). FY04 Corporate Budget Revision:

COL ANGEL, Chairman, briefed the alternative options for changes made to the FY04 Corporate Budget to help offset the projected deficit.

1. NCASE Investment Account:

The committee recommended moving \$77,000.00 from the NCASE Investment (restricted) Account into an unrestricted account, and to seek strategic partnerships to help defray expenses of future meetings of NCASE.

COL ANGEL MOVED the committee recommendation to move the NCASE Investment Account in the amount of \$77,000.00 into an unrestricted account.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Accounting adjustment by FM.

2. Cadet Programs—Corporate Sponsorship:

COL GLASGOW/NCR noted for the record that \$35,000 (unrestricted) was moved from the partnership programs, and the Cadet Programs Committee recommended distribution of that money as follows: \$25,000 into the glider program and the remaining \$10,000 to be divided to help offset the \$27,000 deficit in NCC. He recommended that the remaining money in the glider program be divided equally among the regions—not to the first ones that fly. THERE WAS AGREEMENT ON THIS ITEM—NO MOTION REQUIRED.

COL ANGEL MOVED the committee recommendation to adopt OPTION ONE of the Revised FY04 Corporate Budget

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Adjustments to the FY04 Corporate Budget

(d) FY05 Corporate Financial Plan

1. Volunteer Members Serving on the NHQ Financial Management Board

The committee recommended that in the future CAP volunteer members be included in initial POM procedures. Suggested members were the National Finance Officer, and two others with financial backgrounds. The Executive Director suggested that it would

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be appropriate for volunteer members to serve on the FMB (Financial Management Board), which allow broader involvement than just participating in the POM process.

COL TODD/SWR MOVED and COL ROBINSON/RMR seconded to include the National Financial Officer, National Controller and one additional volunteer member with a financial background to be chosen by the National Commander on the National Headquarters Financial Management Board (FMB).

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: National Commander to appoint representative to FMB.

2. National Dues Increase:

The committee recommended a \$5.00 increase across the board for all dues paying members. COL ANGEL explained that it would not affect the cadets directly for 3 years because of the \$5.00 decrease for new cadets (\$16.00 reduced to \$11.00 because of the new booklet being provided them). The approximate \$300,000 increase will be used to help fund existing programs. COL ANGEL noted that changes to national dues must be approved by the National Board.

COL ANGEL MOVED the committee recommendation that the NEC recommend to the National Board a \$5.00 annual dues increase for all dues-paying members and recommend approval by the National Board.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Inclusion in the agenda of the Aug 04 National Board meeting.

3. Investment Policy:

COL ANGEL stated that the BoG Audit Committee directed CAP Management to develop an Investment Policy and he is currently working on a draft in coordination with FM. The draft policy will be ready for presentation to the Board of Governors at its 1 June 04 meeting. The goal of the investment policy will be to provide guidance for how much money CAP should keep in reserve and how that reserve should be invested. The draft investment policy will be coordinated with the National Finance Committee.

4. Mandates

The committee recommended that the NEC and the National Board not put forth any mandates without identifying a specific source of funding. This is a prudent business practice. Items may be brought forward as unfunded but must also include a statement to the effect that "even though it is unfunded, it is my intention to pay for this out of (fill in the blank)." It is totally irresponsible for the NEC or the National Board to bring forth mandates to satisfy a need that may be real, without saying how it will be funded.

COL ANGEL MOVED the committee recommendation to adopt a policy that neither the NEC nor the National Board mandates will be approved without identification of a proper source of funding.

MOTION CARRIED WITH NO DISSENTING VOTES

COL ANGEL MOVED the committee recommendation to endorse the FY05 Corporate Financial Plan, as presented, forward to the Board of Governors for approval, and send to the National Board for information.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Inclusion in the Jun 04 BoG agenda for approval, and in the Aug 04 National Board agenda for information.

(e) FY05 Appropriated Financial Plan

There was discussions of some disconnect between the CAP congressional language and the CAP funding restrictions in Air Force Instruction 65-601, which was discussed at length. Efforts are underway at the SAF/FM level to resolve the differences. There was also discussion as to what the Secretary of the Air Force may or may not authorize as funding for CAP, consistent with statutory language in Title 10. Also, inconsistencies between Air Force Instructions and the Cooperative Agreement and Statement of Work were mentioned. Col Vogt suggested that when there are discrepancies, both CAP and CAP-USAF need to bring them up to the Grants Officer and send opinions forward in accordance with the Cooperative Agreement in an effort to get them changed. He emphasized that these are issues that both CAP and CAP-USAF are working through and need to attack together.

COL SCISS/XOHA recommended that the resolution might be to go back to the Secretary of the Air Force to get very clear, definitive guidance on just exactly what his interpretation is and what latitude he feels the underlying law allows—whatever support is necessary or deemed appropriate by SECAF. He recommended that this issue be CAP's number one priority to the BoG, and ask the BoG to formally ask the Air Force, through the BoG process, to define the amount and extent that the SECAF would like to provide to the cadet and aerospace education programs.

COL ANGEL stated that, in view of the discussion, he would still ask for approval to send the FY05 Appropriated Financial Plan to the BoG, but added that any known discrepancies be presented to and addressed for the BoG to help resolve.

COL ANGEL MOVED the committee recommendation to recommend the FY05 Appropriated Financial Plan, as presented, to the Board of Governors for approval, and send to the National Board for information.

MOTION CARRIED WITH NO DISSENTING VOTES

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FOLLOW-ON ACTION: Inclusion in the Jun 04 BoG agenda for approval, and in the Aug 04 National Board agenda for information.

2. Development Committee

Col Robinson

COL ROBINSON/RMR gave the Development Committee report.

(a) Retired Member Participation: See Agenda Item 7.

(b) Multi-year Membership Cards: Would result in a cost saving and the committee has no objection as long as card expiration matches membership expiration.

COL WEBB/GLR MOVED and COL GLASGOW/NCR seconded to authorize the Executive Director to extend 1-, 2-, or 3-year memberships.

There was a lengthy discussion of the complications of trying to implement a multi-year membership card. Col Robinson recommended that the membership card was more a financial matter at this time and should be moved to the Finance Committee.

RESTATED MOTION: That the NEC adopt a multi-year card for up to 3 years, expiration dates to concur with membership expiration, with no price break for multiple years, and that the Executive Director recommend an implementation date at the Aug 04 National Board.

MOTION CARRIED

FOLLOW-ON ACTION: National Headquarters staffing and inclusion in the Aug 04 National Board agenda.

(c) Chief, National Health Service recommended the wear of a boonie hat to protect ears and neck from exposure to ultraviolet radiation.

COL ROBINSON MOVED and COL STARR/PCR seconded the committee recommendation to approve wear of the Woodland Green or Dark Blue BDU boonie hat subject to Air Force approval, in accordance with AFI 36-2903.

MOTION CARRIED

FOLLOW-ON ACTION: Following Air Force approval, change to CAPR 39-1 and publication and distribution of changes.

3. Operations Committee

Col Hartman

(a) Water Survival Equipment Recertification

COL HARTMAN, Chairman briefed and distributed a proposal, "Water Survival Equipment Recertification." (See Atch 6)

COL ANGEL/NFO briefed the Finance Committee portion of this item.

COL TODD/SWR MOVED and COL GLASS/MER seconded to approve the plan (Short Term and Long Term Proposals), which read:

Short Term Proposal

NHQ pay for water survival gear recertification required to support AF reimbursed missions. Cost share basis to encourage proper care of equipment: NHQ PAY 75%; Wing/Region pay 25%.

Wings/Regions should charge all other customers an additional fee on top of aircraft reimbursement rate for those missions requiring water survival gear.

Reject the current contractor bid because we cannot afford it.

Long Term Proposal

CAP Region Commanders obtain "no kidding" requirements from each wing.

Requirements should include the approximate number of annual hours flown on Federal missions that require water survival equipment.

NHQ POM for obtaining and maintaining water survival equipment for Federal missions.

Wings/Regions continue to charge an additional fee to all state/local customers.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION:

Short Term: Implementation of policy.

Long Term: Region Commander action to obtain requirements. NHQ POM action

(b) National Check Pilot Standardization Course (NCPSC)

COL HARTMAN, Chairman, briefed the committee recommendations.

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The committee does not recommend the proposal by Col Walt Schamel to replace the current NCPSC. He stated that the current program is working even though there are concerns about how it is being taught. He noted there is an excellent on-line training program on how to give a Form 5, and complimented the National Headquarters staff for including that on the web. He added that the course would be considerably improved if all pilots would utilize the on-line information.

COL HARTMAN MOVED the committee recommendation to reject the proposal to change the NCPSC.

MOTION PASSED WITH NO DISSENTING VOTES.

FOLLOW-ON ACTION: ITEM CLOSED

(c) Short Notice CAPR 60-2 versus SUIs

COL HARTMAN stated that this item has been overtaken by events—the publication of CAPR 123-2. **ITEM CLOSED.**

(d) Aircraft Minimum Altitude

No report. Awaiting legal review.

(e) Certification Boards

Report will be given at the Aug 04 National Board meeting.

4. Professional Development Committee

Col Kauffman

COL KAUFFMAN/CS noted that the name of the Education and Training Committee has been changed to Professional Development Committee. The committee is in the process of reforming and Col Courter, the new chairperson, is working with participant assignments. The committee is working closely with the Infrastructure Committee and the Cadet Programs Committee. He reported that with its broader scope, he expects to send more items to the Professional Development Committee for action than were sent to the previous Education & Training Committee.

5. MIMS Committee

Col Glass

COL GLASS reported that the MIMS Committee has completed the interface with the Paperless Wing. Also, it is probably 4 weeks behind schedule with WMU, due to the priority of the cadet flight reimbursement program. The original priorities were to have WMU first and then Paperless Wing. The committee is working complete the WMU interface. WMU represents about 30 wings; Paperless Wings represent about five to seven. The interface is available now to the field for those people who are not on Paperless Wing or not on WMU and they can develop the cross-talk events at their

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leisure. Alternatively, wings that are not on Paperless Wing or WMU can adopt MIMS as it is done. He added that they are making progress on the WMU interface and he believes they will be up and running well before the Aug 04 National Board meeting.

6. Information Technology Committee

Col Opland

COL OPLAND, Chairman, briefed and distributed an Information Technology Committee Charter, which outlined plans to assist the National IT staff and field developers in advancing the CAP use of information technology in its mission and administrative processes.

COL ANGEL/NFO requested that cost estimates be furnished when future acquisitions are recommended.

7. Cadet Programs Committee

Col Glasgow

COL GLASGOW, Chairman, briefed that the committee has been working with Chaplain Services and will change the next issue of Values for Living. He asked Chaplain Melancon to brief this effort.

CHAPLAIN, COL, MELANCON reported that the Chaplain Service is attempting to approach the Values for Living from a case studies standpoint. He added that they have circulated the changed document all around and have received favorable comments.

8. Constitution & Bylaws Committee

Col Palermo

COL PALERMO, Chairman, stated there was no report. However, he distributed a package outlining CAP issues for review by the NEC, which was developed by an ad hoc committee. Gen Bowling asked Gen Wheless to form a committee to attempt to prioritize issues that have been circulating but no action has been taken. These issues will be brought up under Item 9.

9. AD HOC Committee on CAP Issues

Col Palermo

COL PALERMO discussed the package detailing the committee proposal including a prioritized list of the top ten issues to be evaluated and prioritized by the NEC. There were two additional issues brought up during the NEC meeting: (1) Air Force Instruction 65-601—which has not been updated to reflect the 2001 change to Title 10 to allow the Air Force to use appropriated funds for cadet and aerospace education programs, and (2) the FECA/FTCA corporate insurance item. Col Palermo added that after prioritization by the NEC, the list will be sent to members of the Board of Governors for their consideration at the 1 Jun 04 BoG meeting.

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COL TODD/SWR requested that all Air Force Instructions that pertain to CAP be made available to NEC members so they can read them. Col Vogt and Col Sciss agreed. Later in the meeting the list of policy directives and instructions were furnished. They are: AFD 10-8, AFD 10-27, AFI 10-2701, AFI 10-2702, AFI 65-601 Vol. 1, AFI 32-9003, AFI 41-114, and AFI 11-401. The first four listed documents are the most critical ones.

After the NEC marked their ballots (prioritization of top issues), they went on to other business to allow time for tallying the lists.

Later in the meeting, the NEC prioritized list was shown on a slide.

COL GLASGOW/NCR MOVED and COL TODD/SWR seconded to adopt the list as currently prioritized. The list reads as follows:

<u>ISSUE</u>	<u>PRIORITY</u>
FTCA/FECA	1
Proposed Legislation	2
FAA Exemption	3
AFI 65-601	4
Glider Program	5
Program Narrative	6
State Directors (Wing Administrators)	7
NOC Funding	8
Stabilize CAP Budget	9
CAP Under AU or another AF entity	10
9448 Issues	11
AF Approval of CONEMP	12

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Inclusion in the agenda of the Jun 04 BoG meeting.

AGENDA ITEM - 12

Action

SUBJECT: Old Business

1. ITEM: National Board Support; Agenda Item 2 from the March 2004 National Board: The National Board passed the motion to authorize each wing \$1,000 to help cover the wing commanders expenses associated with attending the two yearly National Board meetings.

Action was taken by the Finance Committee. ITEM CLOSED

2. ITEM: Electronic Signatures; Agenda Item 21-2 from the August 2003 National Board and Agenda Item 14-3 from the March 2004 National Board: A list of CAP forms and signature requirements are to be presented and finalized at the May 2004 NEC.

COL LEIBOWITZ/GC briefed that there are different levels of electronic signatures, ranging from email with a person's name as the sender or an electronic signature, which comes with software packages, to a full-fledged "notarized" electronic signature, which is a digital signature and costs approximately \$15.00 per year, per subscriber. The problem is determining what will be acceptable to the recipients and which forms do we need to be concerned about. Both the auditor and the Air Force have been queried as to what they would accept as an authenticating signature. He added that all the areas and forms were looked at and there was a determination that CAP needed to be concerned in at least three specific critical areas: (1) Requesting payment, (2) Authorizing missions under the new scheme requiring individual approval for each mission, and (3) Documenting FECA/FTCA claims. CAP is currently awaiting answers from the auditor and the Air Force.

There was discussion on federal law regarding electronic signatures and what is acceptable in other areas of the federal government. The statute addresses lenders and government agencies being required to accept forms electronically, but it doesn't address the level of signatures that need to be on there.

Also, there was discussion on whether non-critical forms could be e-mailed rather than physically signed, printed, and faxed to National Headquarters. There was clarification that most of the CAP forms that require signature are non-critical in the sense that signed or unsigned will pose no legal exposure to CAP.

COL GREENHUT/NER MOVED and COL TODD/SWR seconded to approve a policy that CAP forms deemed to be non-critical may be transmitted electronically and the designation of the sender will serve as a signature.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Implementation of the policy.

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3. ITEM: Additional Business Day at the Summer National Board; Agenda Item 21-6 from the August 2003 National Board and Agenda Item 14-4 from the March 2004 National Board: Final recommendations for changing the schedule format for the summer National Board meetings are to be presented to the NEC.

COL PALERMO/NLO MOVED and COL KAUFFMAN/CS seconded to adopt Option 2, which reads

“Wednesday, registration;

“Thursday, all day National Board including Commander’s Reception;

“Friday, a tight General Assembly, then the National Board meeting the remainder of the day with concurrent seminars of a general nature;

“Saturday, Awards Ceremony, followed by seminars more focused to commanders and the Banquet that evening.”

There were suggestions that not having to vacate the meeting room by 5:00 PM and enforcing a prior decision not to accept new business that is not properly staffed nor included on the agenda would greatly help the National Board complete its business. There were also suggestions that the agenda for both NEC and National Board meetings should be changed to put the most important business first and the informational and update briefings last. Opinions were expressed for and against the idea that the Summer National Board and Convention the General Assembly and Awards Ceremony need to be devoted as much as possible for the benefit, education, and edification of the general membership.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Change agenda for the Summer National Boards

4. ITEM: ID Card; Agenda Item 12 from the August 2003 National Board, Agenda Item 12-1 from the November 2003 NEC and Agenda Item 15-4 from the March 2004 National Board. Final recommendations for the ID card and discussion on the possibility of a 3 year expiration date.

MS. PARKER/LMM briefed and distributed sample cards to all NEC members. She stated that her office coordinated with Col Webb/GLR who was involved in the initial design of the card. She added that the yellow portion at the bottom is to signify the location of a smart-card chip if we choose to have one. There is a magnetic strip on the back if we want to go to a swiping card. She added that if CAP chooses this card, there are several cost issues that will have to be addressed.

MAJ GEN BOWLING reminded that this is what the National Board agreed on and photographs were made at the last meeting.

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MS. YOST/IT provided costs of additional modules for the machine currently used:

Picture module	\$80,000
New module	\$115,000
Smart-card module add-on	\$50,000
Mag strip module	\$18,000

Also, there would be additional development costs, which are unknown at this time; because National Headquarters would have to have the equipment to see what it would take to integrate the current membership system with it. There would also be additional development costs on the Smart-card module. She said they had also checked on out-sourcing the picture only card and it would cost \$1.30 per card. For the smart card, the cost was between \$5.00 and \$15.00 per card, and the card would last approximately 3 years, but for special requests we would also require a small machine in-house, which would cost between \$5,000 and \$6,000.

There was discussion on whether the CAP card looks too much like an Air Force card, and the need to differentiate. Also, the Air Force is working on a CAP card for access to military installations.

MS. PARKER/LMM clarified that every member will always have a CAP-issued membership card. If approved, every CAP member would get this picture card to replace the currently issued membership card.

In response to a question as to whether the CAP proposed card has been approved by the Air Force, Col Sciss responded that the volunteer card the Air Force is working on is going to be exactly like the government card, except that it will say, "volunteer" or "Air Force Auxiliary." The DOD is working the issue. But, he has concerns about the CAP proposed card looking too much like the official government card to be able to distinguish between them. There was discussion on whether CAP should seek Air Force approval of the CAP proposed card.

COL WEBB/GLR MOVED and COL TODD/SWR seconded to adopt the CAP-proposed card for senior members and that production of the new senior card be out-sourced in keeping with what the Executive Director feels is appropriate. Cadet and other membership categories will remain for in-house printing.

MOTION CARRIED

FOLLOW-ON ACTION: LMM implementation of policy for developing new senior member ID cards.

AGENDA ITEM - 13

Action

SUBJECT: Additional New Business

1. ITEM: New Aircraft Checklist

Following the Safety Briefing, Col Kauffman distributed a checklist produced by CheckMate Aviation, Inc. He discussed using this generic checklist for CAP aircraft and recommended its purchase. Col Vogt, USAF expressed an opinion that it would be appropriate to use appropriated funds to defray the cost of this checklist since the checklist would impact safety and that he would check into it.

COL WEBB/GLR MOVED and COL ANGEL/NFO seconded to adopt the checklist contingent upon approval of its content by HQ CAP Director of Operations and CAP-USAF. If appropriated funds are not available, corporate funds will be used to address this important safety issue.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION. Purchase CheckMate Aviation, Inc checklist paid with appropriated funds, if available, or corporate funds..

2. ITEM: Academic Scholarships

COL ANGEL/NFO stated that there was a proposal to establish academic scholarships in the name of Maj Gen Bowling who will leave office in August 2004. The proposal was for 10 \$1,000 scholarships for a total of \$10,000, with funding to come from strategic partnerships.

COL GLASGOW/NCR MOVED and COL WEBB/GLR seconded to approve 10 \$1,000 academic scholarships in honor of Maj Gen Richard L. Bowling, CAP.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION. National Headquarters staff action.

3. ITEM: Cadet Bass Participation Grants Program

BRIG GEN WHELESS briefed the proposal as outlined in the agenda item.

There was discussion that a similar program is already under discussion. The Chairman of the Cadet Programs Committee spearheads that effort.

BRIG GEN WHELESS withdrew this item.

4. ITEM: Fund for IACE Cadet Uniform Items

COL PINEDA/SER stated that he had recently learned that some of the IACE cadets needed uniform items and added that it is essential that CAP cadets wear proper uniforms, especially when traveling to foreign countries. He has spearheaded a campaign in SER to raise money to help defray the cost of uniform items and to date has collected \$2,000 from individuals. The SER is going to donate another \$1,000 to continue to build a fund for this year's IACE cadets. He encouraged other region commanders to join this effort. Col Greenhut/NER pledged \$1,000 from Northeast. Col Glasgow/NCR pledged \$1,000 from North Central. Col Robinson/RMR stated that her region had been doing this for the last seven years and would take care of Rocky Mountain IACE cadets. Col Webb/GLR pledged \$1,000 from Great Lakes. Col Pineda wrote a check for \$6,000 and presented it to the National Commander for IACE cadet uniform items. He suggested that there also may be wings that can contribute to this fund. Following lunch, Col Pineda announced that Col Palermo/NLO donated \$250 to the fund. Later in the meeting, Mr. Allenback announced that Mr. Roger Whyte, Cessna Aircraft Corporation, had also donated \$200 to this fund.

5. ITEM: Illegal Use of the Name of Civil Air Patrol

COL ROBINSON/RMR raised a serious issue of the illegal use of the name of Civil Air Patrol by people or organizations that have no accountability or ties to CAP. There are incidences where funds are being raised in the name of CAP and CAP doesn't know what the funds are used to support.

COL CHARLES stated that this issue and the subject of Foundations, over which CAP has no control, has been discussed with some of the CAP legal officers. He also expressed a concern with organizations such as the Hock Shop that put the CAP seal on items that they sell for a profit. He suggested that CAPR 900-2 be changed to add a paragraph saying, "Any use outside of the CAP Corporation must be approved in writing by General Counsel. The request must state the purposes for which the name or the seal or other registered devices of the corporation will be used." The request could then be staffed, and approved/disapproved by the Executive Director or National Commander.

COL LEIBOWITZ/GC read the federal law which covers Civil Air Patrol's right to control its name, and all insignia, copyrights, emblems, badges, description or designating marks, words, and phrases the corporation adopts. If we find someone using CAP's name or emblem, which we think isn't authorized, we write them a letter asking them if they have permission from a corporate officer and if not, to cease using it. Regarding the foundations, his understanding is that they were started specifically so that CAP won't have any control over where that money goes. He expressed an opinion that only control CAP can exercise over these foundations is the use of our name, insignia, copyrights, and emblems.

The discussion evolved into what authority corporate officers have to obligate the corporation, for how long, and should that authority be regulated. There was a suggestion to change CAPR 900-2 to tighten the controls on the use of the name, seal,

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emblem, etc. and at that time extend some as yet undefined latitude to wing commanders for a specific period of time.

COL TODD/SWR MOVED and COL ROBINSON/RMR seconded to task the Legal Review Committee to study the use of the Civil Air Patrol name in regard to foundations and other fundraising entities and furnish the ramifications of using such name without CAP's permission. The results of the study and recommendations will be presented to the Aug 04 National Board.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Referral to the Legal Review Committee and inclusion in the agenda of the Aug 04 National Board meeting.

6. ITEM: George Texido Legislative Officer of the Year

A recommendation for establishing the George Texido Legislative Officer of the Year was briefed (See Atch 7).

COL TODD/SWR MOVED and COL ANGEL/NFO seconded to adopt the recommendation, as presented, EXCEPT that the nominee cannot be a retired member.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Change to the appropriated CAP regulations, publication and distribution.

7. ITEM: Communications Strategic Plan Proposal

COL SALVADOR/DO briefed and distributed a paper outlining the development of an updated communications strategic plan. (See Atch 8)

There was clarification the National Commander approved putting this item on the agenda as New Business.

He stated that it had been about 6 years since CAP approved its last Communications Plan. Technology has improved quite a bit and it is time for CAP to take a look to see if it is still on track. He proposed a six-phased approach as outlined on the paper and slide, consisting of Mission Analysis, Technical Analysis, External Program Review, Vector check with CAP leadership, Plan Development, and Plan approval. He stated that there is money in appropriated budget for external program review,

COL SCISS/XOHA offered the services of Major Wessel to help with this project.

COL PINEDA/SER MOVED and COL GLASGOW/NCR seconded to accept the proposed plan as long as the costs are paid out of appropriated funds.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Updating of strategic communications plan with the external program review paid with appropriated money..

8. ITEM: VHF Infrastructure/Table of Allowances

COL SALVADOR/DO presented a slide briefing (See Atch 9)

He reported that we have received \$5.8 million of appropriated funds to upgrade our repeaters and base stations. This is expected to fund 271 base stations, 375 fixed repeaters and 7 portable repeaters. The money came in 2 years ahead of time. Comm recommends delaying delivery as long as possible (3 year money) until CAP is on the new frequencies assigned by the Air Force. The National Communications Officer reminded the NEC that the technology is rapidly changing and recommended waiting before obligating a substantial amount of money.

COL GLASGOW/NCR MOVED and COL PINEDA/SER seconded to continue, in concept, looking at the Communications Plan, Table of Allowances, and the waiver process, and to report an implementation plan at the Nov 04 NEC meeting.

COL SALVADOR asked that each region commander identify a person in each region who has communications systems architecture background and experience to help DO with this project.

MOTION CARRIED WITH NO DISSENTING VOTES

FOLLOW-ON ACTION: Each region asked to provide the name of a communications person to assist DO with this project, and inclusion in the agenda of the Nov 04 NEC meeting.

9. ITEM: Use of Privately Owned Aircraft

COL WEBB/GLR stated that he wanted to seek clarification from the Air Force. He understands that, under the Statement of Work and Cooperative Agreement, when CAP adopts or changes an operational regulation that the Air Force must approve it. Also, that when the Air Force gives CAP that approval there is a tacit understanding that is how we are to operate. He referenced CAPR 173-3 and expressed a feeling that it is not consistent with the mutually agreed understanding. CAPR 173-3 provides that wing and region commanders and directors of operations can approve and decide the use of privately owned aircraft. He asked why the Air Force has departed from the mutually agreed understanding in preventing the use of private aircraft. He objected to the micromanaged details required on CAPF 10.

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COL VOGT responded that CAPR 173-3 is a Finance and not an Operational regulation and the only reference to privately owned aircraft is in a small table of categories of aircraft as a note. He stated that he is unaware of any operational guidance out in any CAP regulation that deals with the utilization of member-owned aircraft versus corporate aircraft. He added that there needs to be policy established and is aware that the Vice Commander is already working on that issue. He recommended that CAP tell CAP-USAF what it wants as a program and they will look at it and determine if CAP-USAF can approve it.

BRIG GEN WHELESS/CV stated that once he got comments from all of the region commanders and they from their wing commanders, he would send them to the Chief of Staff with a recommendation that he meet with the region commanders and come up with a judicious policy that recognizes all of the concerns. That group met last night, and this paper (displayed) is the result—a policy that we would propose as being fair.

COL VOGT accepted the just developed CAP policy, which will be worked by CAP-USAF and will include Lt Col Mathis, Col Salvador, Col Kauffman, and Col Webb in the discussions.

10. ITEM: Certificate of Appointment for Region and Wing Chaplains

MAJ GEN BOWLING reported that Chaplain, Col, Melancon, after he leaves office in Aug 04, would prefer not to be in the selection process for region or wing chaplain, but would like to have their names sent to National Headquarters so that we can offer a Certificate of Appointment.

THE NEC WAS IN AGREEMENT. NO MOTION REQUIRED.

FOLLOW-ON ACTION: National Headquarters preparation of Certificates of Appointment

11. ITEM: Air Force and Corporate Mission Status Changes

COL PALERMO/NLO briefed and distributed a DRAFT MEMORANDUM FOR NATIONAL BOARD AND LIAISON REGION COMMANDERS, Subject: Air Force and Corporate Mission Status Changes, from CAP-USAF/CC and CAP/CC, with attached DRAFT MEMORANDUM FOR NATIONAL BOARD AND LIAISON REGION COMMANDERS, same subject, from HQ CAP-USAF/XO AND HQ CAP/DO (See Atch 10)

COL PALERMO recommended a change in the HQ CAP-USAF/XO and HQ CAP/DO letter to authorize the NOC to approve non-federal missions as CAP missions. This would preclude a vendor from having to make two calls to get approval for a corporate mission. In other situations, the wing already has that authority.

COL PALERMO MOVED and COL ANGEL/NFO seconded to change the second sentence of Paragraph 4.c. of the HQ CAP-USAF/XO and HQ CAP/DO Letter to read: "If CAP-USAF determines that AFAM status is not appropriate, the NOC may authorize non-federal missions as a corporate mission."

MOTION CARRIED WITH NO DISSENTING VOTES

COL GLASS/MER questioned the requirement to send list of pilots to the State Director twice a month. COL VOGT said this was a notional idea, but another time period might be acceptable. He will check to see if it can be done monthly instead.

COL SALVADOR/DO reminded that this action will require an emergency change to CAPR 60-1.

COL SCISS commented that when the earlier guidance first came out, there was some concern by the Air Staff legal staff that the interim letter did not go into enough detail to the members as to what coverage the members have or don't have, when they are covered by the corporate liability insurance policy and corporate medical and death benefits.

COL PALERMO agreed that was a good point. He suggested that CAP put the \$25,000 med pay provision that was discussed yesterday into the letter.

FOLLOW-ON ACTION:

- (1) Make changes to the letter
- (2) Following CAP-USAF/CC coordination with SAF/JAQ, the letters will be signed and mailed by next week.
- (3) Prepare Emergency change to CAPR 60-1.

May 2004 NEC Minutes

Administrative Announcements

1. Maj Gen Bowling presented NEC badge to Col Merle Starr, Pacific Region Commander.
2. Mr. Allenback expressed appreciation to all members of the Finance Committee, especially those in the 20 May 2004 meeting who assisted greatly in revising the budget. He added there were some overoptimistic membership and CAPMART projections, which impacted the deficit.
3. Maj Gen Bowling welcomed and introduced Mr. Roger Whyte, Senior Vice President for Sales and Marketing, Cessna Aircraft Corporation. Gen Bowling later announced that he had lunch with Mr. Whyte who signed off on the Oshkosh financing. There will be a ribbon-cutting rollout of Cessna aircraft on 27 July at Oshkosh. Corporate sponsorships for CAP programs were also discussed with Mr. Whyte.
4. COL GLASGOW/NCR thanked Col Hartman, Col Opland, Col Glass, Col Salvador, Col Hodgkins, and Col Mathis for expediting their review of the DRAFT Chapter 2 of CAPR 60-3.

THE NEC WENT INTO EXECUTIVE SESSION AT 4:35 PM, SATURDAY, 22 MAY 2004

THE NEC ADJOURNED AT 5:00 PM, SATURDAY, 22 MAY 2004