FY05 Corporate Financial Plan

Executive Summary:

Assumptions:

1. Senior and Cadet membership dues are based on zero growth (programs re-budgeted if growth occurs);
2. Senior membership packets funded from Corporate budget; Cadet education materials funded from appropriated budget;
3. NCASE occurs every other year - scheduled October 2006 (FY07).
4. Line item "Interest and Dividends from Investments" ($33,162) added to the income sheet;
5. CAPMart gross profit on sales reflects a break even year.

FY04 (Option 1) to FY05 Corporate Budget Comparison

BUDGET: - 20% (FY04 Option 1 = $3,591,482 FY05 = $2,861,398

FY05 INCOME:

- 6%	Senior Membership
- 8%	Cadet Membership
- 77%	Cadet education material funded in appropriated budget

FY05 EXPENSES:

+ 25%	National Officers Travel - $39,000 - Wing Commanders' travel
+ 1%	CAP Regions / Operating Funds - $2,000 - Funding for Congressional Squadron Operations

INCOME (Projected):	FY05 Income
MEMBERSHIP	
Seniors 35,300 @ $30 (Basis 35,300 as of Feb 04 with zero growth projected)	$1,059,000
Cadets 26,500 @ $20 (Basis 26,500 as of Feb 04 with zero growth projected)	530,000
New Senior Member Packets @ $10/ea (6,200) - (Offset by expense account) (Cadet Education Material funded through appropriated budget in FY05)	62,000
VEHICLE SELF-INSURANCE - Offset by an expense account and is revenue neutral	16,920
SUMMER NATIONAL BOARD - Offset by an expense account	135,000
WINTER NATIONAL BOARD - Offset by an expense account	9,000
NCASE - Scheduled for Oct 2006 (FY07) - No income projected in FY05	-
INTEREST & MISC INCOME - MBNA ($23k), Membership Contributions ($30k), Interest Income ($3k), CAP News subscriptions ($1,500), Undesignated contributions ($10k), Misc Income ($4k)	71,500
Cadet Scholarship Fund Income - (Offset by expense account)	43,000
Cadet Program Reserve Corporate Contingency - (Offset by expense account)	20,000
Interest and Dividends from Investments	33,162
CAPMART INCOME PROJECTION - Sales $2,102,123 / Cost of Goods Sold (1,220,307) / Gross Profit on Sales $ 881,816	$881,816
TOTAL INCOME :	**$2,861,398**

				$2,861,398				$2,861,398
				0				-
EXPENSES (Projected):								
Account Description		**FY04 Budget**	**FY04 Budget Revision Option 1**	**FY05 FinPlan FMB Recomm**	**% Change 04 Opt 1 to 05**	**FY05 Unfunded**		**NEC Approved**
National Officer Travel								
Travel expenses for official CAP business								
Dept 005--National Commander -								
--Travel		18,000	18,000	18,000	0%			
--Telephone		1,700	1,700	1,700	0%			
--Supplies		300	300	300	0%			
--Directed travel--other needed for official business		60,000	60,000	**50,000**	-17%			
(FY05 - Redistributed $10k to Corporate Contingency)								
Dept 010--National Vice Commander -								
--Travel		15,000	15,000	15,000	0%			
--Telephone		1,000	1,000	1,000	0%			
Dept 015--Chief of Staff		13,000	13,000	13,000	0%			
Dept 020--National Finance Officer		4,000	4,000	4,000	0%			
Dept 025--National Controller		4,000	4,000	4,000	0%			
Dept 030--National Legal Officer		4,000	4,000	4,000	0%			
--National Health Officer		800	-	800	0%			
--Wing Commanders' travel to National Board on as needed basis		-	-	**39,000**	100%			
(Travel request approved by Region Commander)	Sub Total	$121,800	$121,000	$150,800	25%	$ -	$	-
Corporate Contingency								
--Corporate Contingency for unbudgeted expenses		-	-	29,500	100%			
	Sub Total	$0	$0	$29,500	100%	$ -	$ - $	-

		FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	FY03 Region Rebates	NEC Approved
CAP Regions								
Provides command and control of resources for assigned Wings.								
Dept 200--NER Commander Travel expenses needed for official business		8,000	8,000	8,000	0%			
--Northeast Region Operating fund for administration expenses		10,000	10,000	10,000	0%			
--FY03 Rebates							16,146	
Dept 300--MER Commander Travel expenses needed for official business		8,000	8,000	8,000	0%			
--Middle East Region Operating Fund for administrative expenses		10,000	10,000	10,000	0%			
--FY03 Rebates							12,051	
Dept 400--GLR Commander Travel expenses needed for official business		8,000	8,000	8,000	0%			
--Great Lakes Region Operating Fund for administrative expenses		10,000	10,000	10,000	0%			
--FY03 Rebates							12,570	
Dept 500--SER Commander Travel expenses needed for official business		8,000	8,000	8,000	0%			
--Southeast Region Operating Fund for administrative expenses		10,000	10,000	10,000	0%			
--FY03 Rebates							33,111	
Dept 600--NCR Commander Travel expenses needed for official business		8,000	8,000	8,000	0%			
--North Central Region Operating Fund for administrative expenses		10,000	10,000	10,000	0%			
--FY03 Rebates							9,275	
Dept 700--SWR Commander Travel expenses needed for official business		8,000	8,000	8,000	0%			
--Southwest Region Operating Fund for administrative expenses		10,000	10,000	10,000	0%			
--FY03 Rebates							13,953	
Dept 800--RMR Commander Travel expenses needed for official business		8,000	8,000	8,000	0%			
--Rocky Mountain Region Operating Fund for administrative expenses		10,000	10,000	10,000	0%			
--FY03 Rebates							12,124	
Dept 900--PACR Commander Travel expenses needed for official business		8,000	8,000	8,000	0%			
--Pacific Region Operating Fund for administrative expenses		10,000	10,000	10,000	0%			
--FY03 Rebates							29,847	
--Congressional Squadron Operations (New Category in FY05)				**2,000**	100%			
	SubTotal	$144,000	$144,000	$146,000	1%	$ -	$139,077	$ -

		FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
Chaplain Services							
Program management of 675 Chaplains providing ministry to senior and cadet members, critical incident stress counseling, and moral leadership guidance.							
Dept 035 / 052							
--National Chaplain Travel- Expenses for official business		8,000	8,000	4,000	-50%		
--Dean of Chaplain Colleges expenses. Attends 4 colleges.		2,983	2,983	2,500	-16%		
--Chaplain Staff Colleges-Admin expenses for 7 region Colleges/FY04; 4 in FY05.		24,500	24,500	14,000	-43%		
--Advisory Committee Travel / Admin		2,500	31	-	98%	2,500	
--Writing team travel expenses to rewrite moral leadership courses.		1,711	1,711	2,500	46%		
--National Board Clergy Honoraria & Gifts (New Category in FY04)		500	500	500	0%		
--Advisory Council Strategic Planning Institute - (Unfunded in FY05)		-	-	-	0%	7,500	
	Sub Total	$40,194	$37,725	$23,500	-38%	$ 10,000	$ -
Advanced Technologies - Supports new technology to enhance mission capabilities & high tech/computer education opportunities; conducts seminars & training of CAP members in use of technologies such as ARCHER and VCN from Boeing (Initial unfunded portion of $17,000)		23,000	23,000	23,000	0%	17,000	
	Sub Total	$23,000	$23,000	$23,000	0%	$17,000	$ - $ -

		FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
Executive Director							
Chief operating officer manages the National Headquarters, and administers daily affairs.							
Dept 040							
--Office supplies		3,500	3,500	3,500	0%		
--HQ telephone support (Cell Phone Policy allows 25% of bill for authorized users to be paid by corp funds)		12,000	12,000	12,000	0%		
--Bookstore promotions		300	300	300	0%		
--Protocol - EX (FY04 - two protocol accounts - EX & XP) (FY05 - one account under XP)		2,500	2,500	-	-100%		
--Retirement Award (FY04)		42,100	42,100	-	-100%		
--Contingency for unplanned expenses directed by NB, NEC, or BoG (FY05 - Transfer to new category entitled Corporate Contingency)		19,500	**15,500**	-	-100%		
--Professional Legislative Consulting Services		49,500	49,500	49,500	0%		
--Director, Strategic Partnerships							
--Salary and benefits		90,850	**86,850**	86,850	0%		
--Travel expenses		19,000	**13,300**	13,000	-2%		
--Supply		1,100	1,100	1,000	-9%		
--Telephone (Reflects current cost for FY05)		1,400	1,400	2,400	71%		
--Postage (New category FY04)		1,000	1,000	1,000	0%		
--Safety							
--Safety- Volunteer expenses to accident investigations		2,000	-	-	0%		
--CAP Safety Initiatives - Sights on Safety Program,Train the Trainer, Training Materials		20,000	**13,500**	13,500	0%		
	Sub Total	$264,750	$242,550	$183,050	-25%	$ -	$ -

		FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
General Counsel							
Provides legal advice and legal services to the Board of Governors, the Executive Director and his staff, and the National Commander.							
Dept 050--Professional Legal Services for outside counsel (Project total unused in FY04)		50,000	**20,000**	**35,000**	75%		
--Biennial National Legal Officers Staff College-Admin expenses for in-residence program. 50 attendees (course held every other year)		0	0	4,500	100%		
--Biennial Inspector General College- Admin expenses for in-residence program. 50 attendees (course held every other year)		4,500	4,500		-100%		
-- Rangers Inc. (dissolving the corporation) (FY04 - New Category)		2,000	2,000	-	-100%		
	Sub total	$56,500	$26,500	$39,500	49%	$ -	$ -
Insurance							
Self insurance for injuries occurring on CAP events. Other insurance funded by appropriations.							
Dept 050--Senior and Cadet Accident Claims for minor medical claims		5,000	**10,000**	10,000	0%		
--Accident/Death Benefits. $10,000 per claim with average two claims per year.		20,000	**20,000**	20,000	0%		
	Sub Total	$25,000	$30,000	$30,000	0%	$ -	$ -

		FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
LEADERSHIP DEVELOPMENT AND MEMBERSHIP SERVICES							
Aerospace Education							
Provides aerospace education, professional development and, advanced distributed learning programs for CAP's cadet and senior members.							
Dept 045--							
--Aerospace Education promotion materials for 1,700 teacher members (recruiting & ed material, etc)		22,806	22,806	24,000	5%		
-- Corporate Sponsor Program in FY04 (Offset by Income) - To be split AE and CP)		-	25,000	-	-100%		
--Teacher Orientation Flights- 57 flight hours for 10 workshops. Total attendance 170 (Teachers must be CAP members)		5,000	5,000	5,000	0%		
	Sub Total	$27,806	$52,806	$29,000	-45%	$ -	$ -

LEADERSHIP DEVELOPMENT AND MEMBERSHIP SERVICES	FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
Cadet and Senior Member Professional Development						
To provide Civil Air Patrol with aerospace oriented programs and curricula that enhances the leadership and like skills of all cadet members thereby preparing responsible citizens for the USAF and the nation - 24,000 cadets effected						
Dept 065 **Cadet Programs**						
--International Air Cadet Exchange travel expenses for 103 international participants - (Unfunded - one day in Washington, DC)	160,528	160,528	**147,262**	-8%	18,000	
--Corporate Sponsorship in FY04 (if not restricted)		35,000		-100%		
--Cadet Flight Training Stipends at National Flight Academies (20 cadets x10 flight academies x 150)	30,000	-	-	100%	30,000	
--Cadet Officer School expenses: Total Attendance 120 cadets and 10 staff (increased billeting and increased participation in 04)	16,000	16,000	17,000	6%		
--Blue Beret: housing and food offset expenses for 126 cadet and 35 facility	6,000	6,000	6,000	0%		
--Nat'l Flight Academy-Powered FY04/ FY05 = 6 courses 18 cadets per class ($8,000 per course)	48,000	48,000	48,000	0%		
--Nat'l Flight Academy-Glider 2 Courses with 18 cadets per class, 54 cadets ($8,000 per course)	16,000	16,000	24,000	50%		
--Nat'l Specialized Academies 9 courses with Total attendance 320 cadets	29,400	**27,400**	27,000			
--Familiarization Courses 5 courses(04) 6 courses (05) = 180 cadets	21,150	**21,150**	18,600			
--Nat'l Cadet Comp & Color Guard travel and expenses for 168 cadets and 52 staff (No transportation subsidy of $27,000)	70,350	**43,350**	72,000	66%	27,000	
--Hawk Mountain Ranger School: lodging offset total attendance 140 cadets	4,500	4,500	4,500	0%		
--Pararescue Orientation Course - safety equipment, lodging &meals (FY04=1; FY05=2) (Attendance 45 cadets per class - ($4000 per course)	4,000	4,000	8,000	100%		
--Region Leadership School lodging offset and educational materials 400	8,000	8,000	8,000	0%		
--Nat'l Cadet Advisory Council 9 members expenses for 2 in-person meetings (FY05 - Funds provided by Region CCs)	4,500	4,500	-	-100%		
--Cadet Academic Scholarships - Offset by A310; Revenue Neutral (FY04 - New Category)	43,000	43,000	43,000	0%		
-Cadet Programs Contingency (FY04 - New Category; funds from previous years included)	56,800	**46,800**	20,000	-57%		
Sub Total	$518,228	$484,228	$443,362	-8%	$ 75,000	$ -

Cadet and Senior Member Professional Development (Continued)		FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
Professional Development							
--National Staff College, in residence- Executive development program admin expenses 120 attendees.		7,500	**4,000**	7,500	88%		
--Region Staff Colleges- Admin expenses for 8 programs. Total attendance 220.		28,000	28,000	28,000	0%		
--Squadron Leadership School- Admin expenses, wings conduct one per year. 900 attendees. (FY05 / Wing Expense @ $240 ea Wing.)		12,480	12,480	-	-100%		
--Corporate Learning Course- Admin expenses, wings conduct one per year. 550 attendees. (FY05 / Wing Expense @ $140 ea Wing)		7,280	7,280	-	-100%		
--Wing Commanders Course- Admin expenses for new WG/CCs, once a yr. 20 attendees. (Transfer $6,000 training expense to appropriated budget)		12,150	**12,350**	6,150	-50%		
	Sub Total	$ 67,410	$ 64,110	$ 41,650	-35%	$ -	$ -
Education and Training Center, Oshkosh							
Provide Civil Air Patrol a facility in an aviation rich environment where cadets and senior members can learn, improve, and enhance their aerospace education, leadership, and emergency service skills and knowledge while partnering with EAA in aerospace education outreach.							
Dept 115							
--Land Lease		1,200	1,200	1,200	0%		
--Utilities		3,500	3,500	3,500	0%		
--Facility Maintenance		7,500	7,500	7,500	0%		
--Improvement Funds to be used for safety items such as paving parking lots, air conditioning in dining area, etc.		10,000	**5,000**	10,000	100%		
--Property Taxes		500	500	500	0%		
	Sub Total	$22,700	$17,700	$22,700	28%		
Dept 114							
--Hawk Mountain Ranger School: facility improvement - Increase request (requirement requested for sewer system to maintain facility) (Unfunded Climbing Tower)		100,000	100,000	4,000	-96%	45,000	
	Sub Total	$100,000	$100,000	$4,000	-96%	$45,000	
Drug Demand Reduction - DDR							
Dept 067 - Membership for Cadets for DDR Program - Outreach (FY04 - New Category for membership assistance for new cadets)		20,000	**10,000**	**0**	-100%	20,000	
	Sub Total	$20,000	$10,000	$0	-100%	$ 20,000	$ -

		FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
Membership Services							
Dept 057							
--Senior Training Ribbons and Certificates		400	400	400	0%		
--Awards		14,000	14,000	14,000	0%		
		5,000	3,000	3,500	17%		
--Membership Development: Funding to promote membership campaign		20,000	18,000	20,000	11%		
	Sub Total	$39,400	$35,400	$37,900	7%	$ -	$ -
Membership packet program provides CAP materials to new members -							
FY05 - Senior packets only; Cadet packets transferred to Appropriated budget							
(Offset by income - revenue neutral)							
--Salary/Benefits (FY05 = 30% for Senior packets only)		30,000	30,000	9,600	-68%		
--Supplies		110,500	110,500	26,200	-76%		
--Shipping		128,500	128,500	26,200	-80%		
	Sub Total	$269,000	$269,000	$62,000	-77%	$ -	$ -
FINANCIAL MANAGEMENT							
Dept 070--Accounting Support for Wings - To reduce NHQ travel to Hawaii & Alaska							
Alaska Wing (FY04)		442	442	0	-100%		
Hawaii Wing (FY04)		0	0	0	100%		
(Mid-year financial statement compilation by independent auditor who can							
accomplish work & prevent WFAs from traveling to Hawaii & Alaska)							
Wing Finance Officer Travel - FM Summit (FY04 New Category)		0	4,000	4,000	0%		
H.S.I. Claims (FY04)		308	308	-	-100%		
Line-of-credit interest fees --		25,000	-	-	0%		
(FY05 Request to expense from appropriated funds)							
	Sub Total	$25,750	$4,750	$4,000	-16%	$ -	$ -

		FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
STRATEGIC COMMUNICATIONS							
To inform internal and external audiences of Civil Air Patrol's activities; enable the organization to grow; protect the image and assets of the corporation, and strengthen relationships with key audiences and customers.							
Dept 075–							
--CAP News FY04/05: 6 months 28 - 32 page issue, circulation of 70,000		144,000	144,000	144,000	0%		
--Special Printing: Paper, and printing for special projects (posters, flyers, etc.)		10,000	**6,500**	11,500	77%		
--Electronic media: supplies & maintenance for multi-media productions. (New multi-media program)		58,000	**34,000**	35,000	3%		
-- New CAP Exhibit						35,000	
--CAP Exhibits, FY04 -12 shows per year; FY05=7 per yr; (space, shipping & related costs)		60,000	**45,000**	30,000	-33%		
--Promotional items for exhibits, i.e. pens, coasters, etc. Promotes booth traffic		12,000	12,000	**10,000**	-17%		
--Professional memberships & resources such as clipping services and media database software. (In FY04 - More expensive clipping service that is more inclusive and reliable)		13,000	13,000	14,000	8%		
--Oshkosh Aircraft Display:Air show reaches 1 million people, assoc display costs		10,000	**6,000**	**6,000**	0%		
--Public Awareness Expenses - Using print, radio & television media (FY04: New category for multi-media exposure)		65,000	**32,000**	**60,000**	88%	10,000	
--NASCAR - Closeout		18,758	16,398	-	0%		
	Sub Total	$ 390,758	$ 308,898	$ 310,500	6%	$ 45,000	0
INFORMATION TECHNOLOGY							
Data Automation - Processes membership renewals and cards. 75,000 notices per year.							
Dept 080–Membership card supplies		40,100	**22,100**	**29,600**	34%		
	Sub Total	$40,100	$22,100	$29,600	34%	$ -	$ -

		FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
OPERATIONS							
Provide cost-effective, force multiplying air and ground emergency response missions. Develop effective flight management, safety, standardization, training, and communications programs to support these missions. Corporate funding supports federal appropriations.							
Dept 090							
--Pilot Continuation Training Program - Pilot attendee expenses at $40 per 1,000 attendees(FY05 = Appropriated budget only)		30,000	-	-	100%		
--Emergency Services- Training programs & initiatives, books, videos, and other materials.		10,000	10,000	**10,000**	0%		
--Stan Eval- Course videos, books and other materials (Safety Initiative)		8,000	-	**5,000**	100%		
--Nat'l Ground Search and Rescue School- expenses for 100 volunteer staff instructors		10,000	10,000	10,000	0%		
--CISM- Critical Incident Stress Mgmt expenses for 8 region training teams. 200 attendees		8,000	**5,500**	**6,000**	9%		
--National Paging System - FY04 - New Category: Requirement approved by NEC Wing/Region Commanders + 1 Alert Officer (FY05 = 120 pagers @ $20/mo = $2400/mo)		21,600	**11,600**	**27,800**	140%		
--Homeland Security Mission Travel - National Director (FY04: New Category)		7,200	**5,200**	**4,000**	-23%		
--Glider Orientation Flights (FY05- Transferred to appropriated budget) (FY04 = New category - unallowable appropriated expense)		20,000	39,336	**17,000**	-57%	63,000	
	Sub Total	$114,800	$81,636	$79,800	-2%	$ 63,000	$ -

		FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
LOGISTICS							
Dept 095							
-- Vehicle Self-Insurance (Offset by income)		35,265	35,265	16,920	-52%		
--Claims Regions and Wings							
--Arizona Wing L3 - Maintenance		1,500	1,500	1,500	0%		
(FY04: New requirement on L3 maintenance approved by NEC)							
--Postage - FY04 - New Category / FY05 more realistic budget							
--Postage - Mail-outs for Corporate projects not previously budgeted		11,200	11,200	**10,000**	-11%		
--Postage - Equipment Lease $200/mo		2,400	2,400	2,400	0%		
- Postage - Supplies		400	400	400	0%		
	Sub Total	$50,765	$50,765	$31,220	-39%	$ -	$ -
PLANS AND SPECIAL EVENTS							
National Programs - Provides meeting planning & logistical support to annual conferences and board meetings.							
--Allocation of appropriated salary/benefits to corporate budget (OMB Circular Requirement)		$48,342	**$38,342**	$40,000	4%		
--Nat'l Board meeting conference Fee. Annual conference 1000 attendees (Offset by income)		135,000	135,000	135,000	0%		
--Winter Nat'l Board meeting conference Fee. (New category in FY05)				**18,000**	100%		
--Nat'l Board Committee chairmen travel expenses for 5 at $1,600 each = FY05		10,000	**7,000**	**8,000**	14%		
--Nat'l Congress Air and Space Ed Expenses. (Marketing expense in FY05) (Next conference is Oct 06 (FY07) and then every other year)		105,000	105,000	**10,000**	-90%		
--National Executive Committee (NEC) Conference administrative expenses for semiannual meetings (50)		10,000	10,000	12,000	20%		
--National Curator expenses for procuring and maintaining historical items.		10,000	**5,000**	10,000	100%		
--Legislative Day Program - Flight suits/shirts for legislative squadrons; reception		20,000	**15,000**	15,000	0%		
--Protocol Expenses - Amenities, Working lunches, Supplies, Replacement Flags (FY05 - Combined two protocol accounts into one)		8,000	**6,000**	**10,500**	75%		
	Sub Total	$346,342	$321,342	$258,500	-20%	$ -	$ -
TOTAL NHQ EXPENSES		$2,708,303	$2,447,510	$1,979,582	-17%	$275,000	$139,077	$0

	FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
CAPMart						
The mission of CAPMart is to provide the membership with quality merchandise (uniforms, ranks, regulations, etc.) at a fair and reasonable price.						
Dept 150						
-Salaries	499,368	450,000	420,000	-7%		
-Retirement Annuity	18,000	18,000	12,000	-33%		
-Health Insurance	93,800	93,800	75,000	-20%		
-Life Insurance	1,200	1,200	1,000	-17%		
-FICA / Medicare	31,300	34,425	32,130	-7%		
-State Unemployment Tax	1,000	1,000	2,000	100%		
-Payroll Expense / Professional Fees (Employment Agency/Temporary Help)	8,500	1,500	1,500	0%		
-Allocation of CAP HQ salaries/benefits to support bookstore (1Oct 04 - 19 Mar 04) IT = $11,800 of the total obligated	34,232	50,000	45,000	-10%		
-Office Supplies	9,360	9,360	10,000	7%		
-Data Processing Supplies	10,000	10,000	10,000	0%		
-Operating Supplies	50,000	50,000	0	-100%		
-Telephone (FY05 = Approx $4,100/mo)	65,000	65,000	50,000	-23%		
-Office Postage / Shipping (Fy05 includes Shipping)	1,300	1,300	5,000	285%		
-Equipment, Rental (Yearly) (FY04 = Rental & Maintenance)	31,400	10,693	10,693	0%		
-Equipment Maintenance (New Category in FY05)	0	0	4,000	100%		
-Vehicle Maintenance	5,000	5,000	2,000	-60%		
-Vehicle Operating Expense	4,000	4,000	2,000	-50%		
-Promotional Items	1,000	1,000	0	-100%		
-Travel (FY05 - Travel to National Board)	15,500	15,500	8,000	-48%		
-Online Services (New service) (FY05 Rebudget to Equip Mx Account)	31,070	1,949	3,000	54%		
-Outbound Freight (FedEx, UPS, USPS) FY05 - CAPMart will charge for freight	0	91,310	0	-100%		
-Bad Check Expense	500	500	500	0%		
-Credit Card Expense	55,692	55,692	66,000	19%		
-Gain/Loss on Sales	2,000	2,000	0	-100%		
-Miscellaneous Selling Expenses	3,800	3,000	4,000	33%		
-Fixed Assets - Equipment	25,000	25,000	25,000	0%		
-Advertising Expense / Catalogue	20,000	20,000	20,000	0%		
-Equipment Purchases	20,000	20,000	5,000	-75%		
-National Board Expense (Set-up & Equipment)	5,000	5,000	6,000	20%		
-NCASE Expense - None in FY05	3,000	3,000	0	-100%		
-Professional Development - None for FY05	2,500	2,500	0	-100%		
-Computer Support (IBIS) ($20,611.50/yr)	13,000	20,612	20,612	0%		
-Audit	9,000	9,000	7,000	-22%		
-Insurance (Property/Liability)	15,000	14,381	14,381	0%		
-Inventory	17,200	17,000	20,000	18%		
Department Total	$1,102,722	1,112,722	$881,816	-21%	$ -	$ -

	FY04 BUDGET	FY04 Budget Revision Option 1	FY05 FinPlan FMB Recomm	% Change 04 Opt 1 to 05	FY05 Unfunded	NEC Approved
SUPPLY DEPOT -						
Dept 155						
-Unemployment benefits - result of supply depot closure	$2,000	$31,250	$0	-100%		
Department Total	$2,000	$31,250	$0	-100%	$ -	$ -
Total Expenses	**$3,813,025**	**$3,691,482**	**$2,861,398**	**-20%**	**$ 275,000**	**$ -**

FY05 APPROPRIATED FINANCIAL PLAN

Executive Summary: FY04 to FY05 Appropriated Budget Comparison

The overall FY04 budget is comparable to the FY05 budget and reflects an across-the-board AF tax of .005% ($110,000) plus the $551,000 reduction implemented in FY04. FY05 total budget increase of 2% over FY04.

FY04
$21,432,000 (Reflects $551,000 AF baseline reduction)

FY05
$21,778,000 (Reflects $110,000 AF baseline reduction)

Increases	**International Air Cadet Exchange (IACE) Travel**	**+10%**	
Decreases	**Cadet Uniforms**	**- 17%**	**(70% of new cadets use vouchers)**
	Counterdrug Missions	**- 9%**	
	NCASE Travel	**- 100%**	**(NCASE scheduled Oct 2006 (FY07)**
Adds	**Cadet Education Materials**		

FUNDING (O&M):

AIR FORCE TARGET	
O&M Projected Baseline	**$ 21,888.0**
Operations & Maintenance (Counterdrug included in FY05 O&M target)	
O&M Target does not include Drug Demand Reduction (DDR) funds	
Less Across-the-Board Air Force Tax @ .005	**110.0**
TOTAL O&M FUNDING :	**$ 21,778.0**

EXPENSES:

Account Description		FY04 Budget	FY05 FIN Plan	% Change 04 to 05	FY05 Unfunded
SALARIES AND BENEFITS					
Headquarters - 121 employees	$	7,869.9	$ 8,268.2	5%	
Counterdrug - FY 05 = 4 employees - designated funds		236.0	250.2	6%	
Communications (NTC) - 3 employees - designated funds		185.3	196.4	6%	
Integrated Management System - 3 employees for IMS project - designated funds		188.6	199.9	6%	
Membership packet administrator		0.0	0.0	0%	
Wing Administrators (Replacement for Deputy State Directors)		0.0	0.0	0%	$ 2,050.0
Overtime		25.0	25.0	0%	
Payroll Processing Fee		20.0	26.0	30%	
Sub Total	**$**	**8,524.8**	**$ 8,965.7**	**5%**	**$ 2,050.0**

	FY04 Budget	FY05 FIN Plan	% Change 04 to 05	FY05 Unfunded
TRAVEL				
Travel expenses for official CAP program business				
Executive Director (FY05 Public Education travel in separate category)	37.5	28.5	-24%	
General Counsel (FY05 Cooperative Agreement Management courses)	6.2	9.4	52%	
Inspector General	56.9	60.8	7%	
Public Education - (New category in FY05)	0.0	68.0	100%	
Strategic Plans	22.9	22.9	0%	
Strategic Communications	28.0	22.0	-21%	
Human Resources (FY03 combined departments)	2.5	3.7	48%	
Operations	40.0	36.0	-10%	
Information Technology	6.0	4.0	-33%	
Financial Management	25.0	25.0	0%	
Wing Financial Analysts (WFA) -- Staff field accounting assistance	110.0	115.0	5%	
Aerospace Education & NHQ Aerospace Education Program Managers	70.2	55.5	-21%	
Aerospace Education Program Managers - Staff field aerospace assistance	10.0	10.0	0%	
Membership Services	0.0	2.5	0%	
Cadet & Senior Member Professional Development	29.2	29.3	0%	
Chaplain Services-- (Staff assistance to 4 CAP Region and 4 National conferences, effects 1000)	9.8	10.0	2%	
Logistics	14.0	14.9	6%	
BoG Members--supports 7 board member's expenses for 2 BoG meetings	25.0	25.0	0%	
NHQ BoG Meetings--7 staff member's expenses for 2 BoG meetings	14.2	11.0	-23%	
National Board-- Staff for annual conference, effects 1100 attendees	46.8	50.0	7%	
National Board / Winter--18 staff for board business meeting, effects 120 attendees	17.0	21.0	24%	
NCASE--30 staff for annual conference, effects 900 attendees	33.3	0.0	-100%	
NEC--9 staff @ $750 at 2 executive Committee meetings, effects 80 attendees	14.9	13.5	-9%	
Wing Conferences--1 staff attendance at 37 conferences @ $750 ea., effects 5000 attendees	25.5	28.0	10%	
Region Conferences--6 staff attendance at 5 conferences effects 1000 attendees	23.8	25.0	5%	
Subtotal	**$ 668.7**	**$ 690.9**	**3%**	**$ -**

	FY04 Budget	FY05 FIN Plan	% Change 04 to 05	FY05 Unfunded
OFFICE SUPPLIES				
Supplies necessary for CAP programs. HQ provides commonly used supplies & office equipment for NHQ. Directorate accounts are for program specific supplies.				
HQ - Commonly used supplies: toner, copy paper, replacement chairs, desks, office equip.	85.0	87.0	2%	
General Counsel	1.0	1.0	0%	
Inspector General	1.0	1.0	0%	
Strategic Plans & Programs	0.0	0.8	100%	
Strategic Communications	9.2	9.2	0%	
Human Resources	0.0	1.8	100%	
Operations	7.0	3.5	-50%	
Information Technology -- Computer / network supplies for NHQ	25.0	25.0	0%	
Financial Management	1.0	1.0	0%	
Wing Financial Analysts	4.5	4.7	4%	
Aerospace Education & NHQ Program Managers	10.3	10.0	-3%	
Aerospace Education Field Program Managers	2.5	1.5	-40%	
Membership Services	2.0	2.0	0%	
Cadet & Senior Member Professional Development	2.0	0.0	-100%	
Chaplain Services	1.2	1.5	25%	
Logistics	2.0	2.0	0%	
LG / Mission Resources Print Plant--paper, ink, etc.	152.0	137.0	-10%	
BoG Meeting Support--Meeting room rental, audio visual rental, meeting lunch in FY05	4.2	7.0	67%	
Sub Total	**$ 309.9**	**$ 296.0**	**-4%**	**$ -**

	FY04 Budget	FY05 FIN Plan	% Change 04 to 05	FY05 Unfunded
TELEPHONE				
Official program support				
Headquarters - Includes 3 dial-up internet connections & 3 palm net services	20.0	20.0	0%	
Inspector General	1.0	1.0	0%	
Operations (FY04:17 satellite phones @ $100/month; 1 phone @ $60/month) FY05: 32 phones	21.1	39.1	85%	
BoG--Chairman	0.6	0.6	0%	
Logistics 1-800 Number to NHQ, FY04 estimate; FY05 approximately $75/mo	5.0	1.0	-80%	
Wing Financial Analysts	14.0	12.6	-10%	
Aerospace Education NHQ Program Managers	2.5	2.0	-20%	
Aerospace Education Field Program Managers	2.3	0.9	-61%	
Sub Total $	**66.5**	**77.2**	**16%**	**$ -**
POSTAGE				
Headquarters--mailroom, overnight delivery	19.0	20.0	5%	
Wing Financial Analysts	0.6	0.7	8%	
Aerospace Education Field Program Managers	2.0	1.5	-25%	
Sub total $	**21.6**	**22.2**	**3%**	**$ -**
VEHICLE MAINTENANCE				
Headquarters-- 11 HQ vehicles and 2 forklifts - (10 vehicles in FY04)	16.0	16.0	0%	
Wing Financial Analysts	6.0	7.4	23%	
Aerospace Education NHQ Program Managers	5.7	5.0	-12%	
Aerospace Education Field Program Managers	2.4	1.0	-58%	
Sub total $	**30.1**	**29.4**	**-2%**	**$ -**

	FY04 Budget	FY05 FIN Plan	% Change 04 to 05	FY05 Unfunded
PROFESSIONAL SERVICES				
General Counsel--Employment attorney retainer, attorney fees for active cases	1.8	1.8	0%	
Human Resources -- Drug screening, driver records, Employee Savings Trust, 401k Audit	16.5	16.5	0%	
Aerospace Education	28.6	28.0	-2%	
Chaplain Services	2.8	2.9	2%	
Financial Management -- Single Audit	256.5	250.0	-3%	
Sub total	**$ 306.2**	**$ 299.2**	**-2%**	**$ -**
PROFESSIONAL DEVELOPMENT				
Executive Director	0.9	0.9	0%	
General Counsel--Continuing education	2.8	2.8	0%	
Strategic Plans & Programs - Continuing education cooperative agreement management reduced	5.0	2.9	-42%	
Strategic Communications--Continuing education	3.0	3.0	0%	
Human Resources--Continuing education	2.5	2.5	0%	
Information Technology--Continuing education and certification	3.6	3.6	0%	
Financial Management--Continuing education cooperative agreement management	6.5	6.5	0%	
Chaplain Services--Continuing education	1.0	1.2	20%	
LG Mission Resources Print Plant--Continuing education	0.0	0.0	0%	
Sub total	**$ 25.3**	**$ 23.4**	**-8%**	**$ -**
DUES AND PUBLICATIONS (New category in FY04)				
Executive Director	0.7	0.7	0%	
General Counsel - Included WestLaw on line legal research service	7.0	7.0	0%	
Human Resources	3.4	3.4	0%	
Financial Management	2.7	2.7	0%	
Logistics (Not established in FY04)	0.0	3.3	100%	
Information Technology (Not established in FY04)	0.0	0.3	100%	
Aerospace Education	4.3	4.0	-7%	
Membership Services	0.5	0.5	0%	
Chaplain Services	0.3	0.3	0%	
Sub total	**$ 18.9**	**$ 22.2**	**17%**	**$ -**

		FY04 Budget	FY05 FIN Plan	% Change 04 to 05	FY05 Unfunded
EQUIPMENT PURCHASES					
Note: IT Network upgrade & PC replacement separated into two accounts for FY04					
Information Technology - Network equipment & PC replacement		94.0	96.5	3%	
	Sub total	**$ 94.0**	**$ 96.5**	**3%**	**$ -**
EQUIPMENT / SOFTWARE MAINTENANCE					
Headquarters--Maintenance agreements for copiers, fax machines, copy count charges		108.1	110.0	2%	
(copy count charges and overage charges included in FY05)					
Information Technology--Licenses, software maintenance & upgrades		159.2	130.4	-18%	
Operations - Life raft recertification		15.0	15.0	0%	
Financial Management - Navision Software Upgrade		8.0	8.0	0%	
LG Mission Resources Print Plant -- Mx contracts & mx of equipment not under contract		45.5	38.4	-16%	
	Sub total	**$ 335.8**	**$ 301.8**	**-10%**	**$ -**
CADET PROGRAMS					
IACE--Travel expenses for youth and escort exchange with 16 countries, effects 200 participants		150.0	165.0	10%	
EDUCATION MATERIALS--Cadet training materials		0.0	170.0	100%	
UNIFORMS--New Air Force style uniform for 13,000 new cadets $100; Voucher: 70%= 9.100		800.0	663.0	-17%	
	Sub Total	**$ 950.0**	**$ 998.0**	**5%**	**$ -**

	FY04 Budget	FY05 FIN Plan	% Change 04 to 05	FY05 Unfunded
AIR FORCE MISSIONS				
Actual - FY04 = 9500 hrs; FY05= 9507 hrs @ $66.16/hr--Fuel and minor mx for tasked missions	**629.0**	**629.0**	0%	**0.0**
Minor Maintenance	306.4	301.7	-2%	
Aircraft Fuel	294.0	301.6	3%	
Vehicle Fuel	6.2	12.8	107%	
Lodging / Per Diem (NOC authorized)	6.2	6.4	4%	
Communications / Other	6.2	6.4	4%	
Homeland Security Missions	10.0	0.0	-100%	-
Training - FY04 = 24,900 hrs @ $66.16/hr--FY05= 24,773 hrs @ 66.16/hr	**1,647.9**	**1,639.0**	-1%	**0.0**
Minor Maintenance	751.5	749.7	0%	
Aircraft Fuel	729.0	719.1	-1%	
Vehicle Fuel FY05 = More realistic budget	15.0	30.6	104%	
Lodging / Per Diem (NOC authorized) (FY05 = More realistic budget)	7.5	15.3	104%	
Communications / Other	30.9	15.3	-50%	
Training ATG	7.0	5.0	-29%	
Training Supplies	6.0	3.0	-50%	
Training Activities - Travel (travel authorization required)	50.0	50.0	0%	
Training - NESA	21.0	21.0	0%	
Training - Safety Flight Clinics	30.0	30.0	0%	
National Operations Center	0.0	0.0	0%	$ 538.0
Travel--HQ staff and field mission support (travel request required)	25.0	14.8	-41%	
Major Maintenance - FY05 34,280 hrs @ $26.66/hr--funds engines, avionics, airframe items	932.0	913.9	-2%	
O-FLIGHTS--FY05 =10,000 hrs @ $60/hr (6,000 hrs unfunded)	593.8	600.0	1%	$ 360.0
Sub Total	**$ 3,827.7**	**$ 3,796.7**	**-1%**	**$ 898.0**

	FY04 Budget	FY05 FIN Plan	% Change 04 to 05	FY05 Unfunded
COUNTERDRUG				
Counterdrug Missions - FY05 - 10,029 hrs @ $80.86	**890.0**	**810.9**	-9%	**0.0**
Minor Maintenance -FY04 11,100 hrs	402.0	381.1	-5%	
Mission Aircraft Fuel - FY04 @ $27.75/hr	308.0	300.9	-2%	
Mission Vehicle Fuel -- Funds for tasked missions	7.7	3.8	-51%	
Mission Lodging/Per Diem -- Funds for tasked missions	56.8	19.1	-66%	
Communications / Other -- Funds for tasked missions	9.0	3.8	-58%	
Admin Fee @ 15% of flying hour & aircraft fuel costs	106.5	102.3	-4%	
Aircraft Major Maintenance - 10,029 hrs @ $26.66/hr -- Funds engines, avionics, airframe items	277.5	0.0	-100%	
Supplies / Equipment -- Necessary for CD program	6.0	3.0	-50%	
Travel - HQ personnel (Divided into two travel lines in FY05)	35.0	15.0	-57%	
Travel - Subject matter experts required for conferences & training sessions -	0.0	10.0	100%	
Telephone -- 2 Sprint mobile internet access cards & 2 cell phones	2.5	3.0	20%	
Postage - HQ	1.0	1.0	0%	
CDD/CDDA Region Directors & Assistants admin costs in managing programs	12.0	11.0	-8%	
CDD Field Travel --Effectively manage region programs.	40.0	25.0	-38%	
Sub Total	**$ 1,264.0**	**$ 878.9**	**-30%**	**$ -**

		FY04 Budget	FY05 FIN Plan	% Change 04 to 05	FY05 Unfunded
COMMUNICATIONS					
NATIONAL TECHNOLOGY CENTER - Field radio replacements, parts maintenance					
Office Supplies		15.0	15.0	0%	
Comm Equipment Parts		56.0	59.5	6%	
Facilities Support\		5.0	5.0	0%	
Shipping		25.0	26.5	6%	
Vehicle Maintenance		5.5	5.5	0%	
Travel		8.5	8.5	0%	
COMM EQUIPMENT		151.7	151.7	0%	$ 3,756.6
	Sub Total	**$ 266.7**	**$ 271.7**	**2%**	**$ 3,756.6**
DISTANCE LEARNING					
Professional Services - AFIADL ($54k) and Knowledge Base ($16k)		16.0	66.0	313%	
Travel		10.0	8.7	-13%	
Equipment/Software Maintenance - Ipresentation Annual Service		0.0	6.6	100%	
	Sub Total	**$ 26.0**	**$ 81.3**	**65%**	**$ -**

	FY04 Budget	FY05 FIN Plan	% Change 04 to 05	FY05 Unfunded
VEHICLE MAJOR MAINTENANCE--Safety items maintenance for 980 field vehicles	255.0	260.0	2%	$ -
Vehicle Routine Mx -Unfunded--Manufactures' scheduled maintenance including oil changes	0.0	0.0	0%	$ 458.1
Vehicle Safety Equipment - Unfunded Safety kits and vehicle identification decals	0.0	0.0	0%	$ 14.0
AIRCRAFT MAJOR MAINTENANCE--Major items like engines, avionics, airframe	1,232.0	**1,548.2**	26%	
(FY05 = 58,075 hours @ $26.66/hr (9507 actual, 24,773 training, 10,039 CD, 48,036 B&C hrs)				
Total hrs = $92,355 ($913.9 = Major Mx (34,280 hrs @ $26.66) budgeted for Air Force Missions				
(FY03 = $851,000 AF Mission Maj Mx + $1,124,900 Maj Mx + $583,100 = $2,559,000)				
Aircraft Major Maintenance--Unfunded	0.0	0.0	0%	$ 1,291.0
(Audio panels, radio stacks,ELTs, Damage Repair, Radio Exchange)				
INTEGRATED MANAGEMENT SYSTEM--Contract/ out-source software development	532.4	532.4	0%	
NHQ CONNECTIVITY - Local connectivity - T-1 line ($1,110/mo)	15.0	13.3	-11%	
UNIT CONNECTIVITY--For field units 281 computers ($1,800 ea.) and 1518 ISPs ($204/yr)	823.8	815.5	-1%	
FINGERPRINTING--Members background screening paid to FBI	140.0	140.0	0%	
AIRCRAFT FUEL- Flight proficiency for staff pilots, flight physicals, maps,effects 6 staff	15.1	15.1	0%	
LEASED STORAGE UNITS--Aerospace textbook storage	5.8	5.8	0%	
EQUIPMENT LEASE- Print Plant--Print On Demand equipment (5th of 5 lease payments)	57.0	57.0	0%	
ANNUAL REPORT--Congressional requirement printing	12.0	12.0	0%	
INSURANCE--Supplements liability, employment policies	1,600.0	1,520.0	-5%	
ADVERTISEMENTS--Employment announcements in newspaper and magazines	7.0	7.0	0%	
CABLE TV--HQ news, weather and information source	0.8	0.9	6%	
Sub Total	**$ 4,695.9**	**$ 4,927.2**	**5%**	**$ 1,763.1**
TOTAL O&M EXPENSES	**$ 21,432.0**	**$ 21,778.0**	**2%**	**$ 8,467.7**

FY 05 O&M TARGET	**$ 21,778.0**
FUNDED	**$ 21,778.0**
DIFFERENCE	**$ 0.0**