

NATIONAL FINANCE COMMITTEE MEETING MINUTES

18 May 2000

A meeting of the National Finance Committee (NFC), Civil Air Patrol, was conducted at 1400 hours, 18 May 2000, at National Headquarters, Maxwell AFB, AL. Meeting was called to order by Col Larry D. Kauffman.

COMMITTEE MEMBERS PRESENT:

Col Larry D. Kauffman, Chairman
Col Donald N. Prouty
Col William S. Charles
Col Joseph C. Meighan, Jr.
Col Colin F. Fake
Col Robert L. Brooks - Non voting member
Mr Tom Hicks - Non voting member

OTHER PERSONNEL PRESENT:

Col Joseph D. McMillan, CAP/CS
Col Scott Hamilton, EXA
Mr John Angle
Ms Ruth Petersen
Ms Michelle Williams
Ms Rita Pickette

Committee Member Absent:
Col Andrew E. Skiba

1. The Finance Committee reviewed the corporate financial plan for FY 01. The chairman of the committee, Col. Kauffman, decided that the committee will discuss the budget items by exception rather than line by line.
 - a) The committee recommended changing the Pacific Region Commander travel and expenses to \$3,500. If the new region commander is from AK or HI, the committee would approve the increase of funding the line item back to \$5,000 due to increased airfare.
 - b) The Chief of Chaplains requested a travel budget for the Deputy Chief of Chaplains to attend four region staff colleges. The committee felt the responsibility to develop curriculum for the staff colleges were that of the region chaplains. The committee did not vote in favor of the \$2,400 budget request.
 - c) The committee increased the budget line for the Satellite Tool Kit to \$10,000.
 - d) Committee decreased the budget for Oshkosh Aircraft Display to \$2,500 which would pay for fuel to cover the cost of corporate aircraft flown in from neighboring states and regions.
 - e) The membership development position was transferred from personnel to marketing. Funding for the national recruiting campaign also transferred to marketing and the line item was renamed membership development.
 - f) Funding for personnel salaries would cover the hiring of the legislative government relations position, development officer and administrative assistant.
 - g) There was a question raised as to the budget line for the board of governors. Col. McMillan asked if this could be funded through appropriated dollars. This budget line would cover the corporate volunteers and the business executives of the board which would meet two to four times

annually. The staff would have to research the source of money and will report back to the committee.

2. The committee was asked to reprogram funds from contingency into legislative support to cover trips by the national commander to Washington, D.C. in support of legislative deliberations. The chairman stated that the National Finance Officer and the Executive Director had the authority to reprogram funds and this request did not have to be presented to the Finance Committee.
3. The DoD/IG report highlighted the need for the corporation to change its policies and procedures for accounting for non-expendable equipment acquired with DoD appropriated funds. The committee was asked to approve the proposal to require units to account for all computers and communication equipment for useful life and all other equipment having a fair market value of \$2,000 or more and a useful life greater than one year. The committee deferred the decision to the NEC.
4. The committee recommended the discussion on Incentive Awards be cover during the Executive Session. The Executive Director requests authority to approve incentive awards for employees based on performance.
5. Funding was requested to repair Oshkosh facilities. After a lengthy discussion, it was decided to allow the NEC to make the decision after tomorrow's briefing.
6. Cadet Programs requested authority to carry forward excess income into FY 01 to purchase commercial airline tickets for NCC and color guard participants if airlift was not available. The committee felt that the excess income would not be available to fund all regions equally. The committee felt that the airlift issue should be handled by the Board of Governors. A vote was taken and the proposal was not approved.
7. The committee had requested a report on how advertising funds were utilized. Ms. Mary Nell Crowe, Director of Marketing, provided a report to the committee showing a break out of how the dollars would be spent. The committee accepted the report as presented.

MINUTES APPROVED



COL LARRY D KAUFFMAN
Chairman, National Finance Committee

3 Attachments:

1. **FY 01 Fin Plan**
2. **Property Accountability**
3. **Report on PR Advertising**

INCOME (Estimated):

MEMBERSHIP

SENIORS 35,790 @ \$30.00	\$1,073,700
CADETS 26,775 @ \$20.00	\$535,500
ROTC	\$49,900
HULL SELF-INSURANCE	\$0
VEHICLE SELF-INSURANCE	\$35,265
NATL BOARD	\$120,000
NCASE	\$100,000
DEPOT	\$100,000
BOOKSTORE	<u>\$100,000</u>
TOTAL	\$2,114,365

EXPENSES (Estimated): \$2,114,365

Balance \$0

Account Description	FY 00		FY 01		
	Budgeted	Expensed	Request	Fin Comm Recomm	NEC Approved
Dept 005 - National Commander					
		30 Apr 00			
Travel and Expenses	\$18,000	\$16,915	\$18,000	\$18,000	\$18,000
IACE President Travel	\$0	\$0	\$3,000	\$3,000	\$3,000
CC Directed Travel	\$7,500	\$3,893	\$5,000	\$5,000	\$5,000
Department Total	\$25,500	\$20,808	\$26,000	\$26,000	\$26,000
Dept 010 - National Vice Commander					
Travel and Expenses	\$15,000	\$11,391	\$15,000	\$15,000	\$15,000
Department Total	\$15,000	\$11,391	\$15,000	\$15,000	\$15,000
Dept 015 - Chief of Staff					
Travel and Expenses	\$10,000	\$3,715	\$10,000	\$10,000	\$10,000
Department Total	\$10,000	\$3,715	\$10,000	\$10,000	\$10,000
Dept 020 - National Finance Officer					
Travel and Expenses	\$4,000	\$2,112	\$4,000	\$4,000	\$4,000
Department Total	\$4,000	\$2,112	\$4,000	\$4,000	\$4,000
Dept 020 - National Investment Program					
Investment Program	\$2,000	\$208	\$2,000	\$2,000	\$2,000
Department Total	\$2,000	\$208	\$2,000	\$2,000	\$2,000

Account Description	FY 00		Request	FY 01	
	Budgeted	Expensed		Fin Comm Recomm	NEC Approved
Dept 025 - National Controller					
Travel and Expenses	\$3,000	\$1,204	\$3,000	\$3,000	\$3,000
Department Total	\$3,000	\$1,204	\$3,000	\$3,000	\$3,000
Dept 030 - National Legal Officer					
Travel and Expenses	\$4,000	\$2,601	\$4,000	\$4,000	\$4,000
Department Total	\$4,000	\$2,601	\$4,000	\$4,000	\$4,000
Dept 035 - Northeast Region Commander					
Travel and Expenses	\$3,500	\$2,261	\$3,500	\$3,500	\$3,500
Region Operating Funds	\$10,000	\$7,500	\$10,000	\$10,000	\$10,000
Department Total	\$13,500	\$9,761	\$13,500	\$13,500	\$13,500
Dept 040 - Middle East Region Commander					
Travel	\$3,500	\$1,730	\$3,500	\$3,500	\$3,500
Region Operating Funds	\$10,000	\$7,500	\$10,000	\$10,000	\$10,000
Department Total	\$13,500	\$9,230	\$13,500	\$13,500	\$13,500
Dept 045 - Great Lakes Region Commander					
Travel	\$3,500	\$2,713	\$3,500	\$3,500	\$3,500
Region Operating Funds	\$10,000	\$7,500	\$10,000	\$10,000	\$10,000
Department Total	\$13,500	\$10,213	\$13,500	\$13,500	\$13,500
Dept 050 - Southeast Region Commander					
Travel	\$3,500	\$234	\$3,500	\$3,500	\$3,500
Region Operating Funds	\$10,000	\$7,500	\$10,000	\$10,000	\$10,000
Department Total	\$13,500	\$7,734	\$13,500	\$13,500	\$13,500
Dept 055 - North Central Region Commander					
Travel	\$3,500	\$2,213	\$3,500	\$3,500	\$3,500
Region Operating Funds	\$10,000	\$7,500	\$10,000	\$10,000	\$10,000
Department Total	\$13,500	\$9,713	\$13,500	\$13,500	\$13,500

Account Description	FY 00		FY 01		
	Budgeted	Expensed	Request	Fin Comm Recomm	NEC Approved
Dept 060 - Southwest Region Commander					
Travel	\$3,500	\$1,268	\$3,500	\$3,500	\$3,500
Region Operating Funds	\$10,000	\$7,500	\$10,000	\$10,000	\$10,000
Department Total	\$13,500	\$8,768	\$13,500	\$13,500	\$13,500
Dept 065 - Rocky Mountain Region Commander					
Travel	\$3,500	\$2,974	\$3,500	\$3,500	\$3,500
Region Operating Funds	\$10,000	\$7,500	\$10,000	\$10,000	\$10,000
Department Total	\$13,500	\$10,474	\$13,500	\$13,500	\$13,500
Dept 070 - Pacific Region Commander					
Travel and Expenses	\$5,000	\$3,315	\$5,000	\$3,500	\$3,500
Region Operating Funds	\$10,000	\$7,500	\$10,000	\$10,000	\$10,000
Department Total	\$15,000	\$10,815	\$15,000	\$13,500	\$13,500
Dept 075 - CAP Chaplain Service					
Travel and Expenses	\$4,000	\$2,153	\$4,000	\$4,000	\$4,000
Dean, Chaplain Colleges	\$0	\$0	\$2,400	\$0	\$0
RGN Chap Staff College	\$28,000	\$21,000	\$28,000	\$28,000	\$28,000
Department Total	\$32,000	\$23,153	\$34,400	\$32,000	\$32,000
Dept 080 - NEC Conference					
Conference Expense	\$3,000	\$1,461	\$3,000	\$3,000	\$3,000
Department Total	\$3,000	\$1,461	\$3,000	\$3,000	\$3,000
Dept 085 - Executive Director					
Office Supplies	\$2,500	\$2,441	\$2,500	\$2,500	\$2,500
Telephone Support - HQ	\$10,000	\$4,461	\$9,000	\$9,000	\$9,000
Promotions - Bookstore	\$300	\$0	\$300	\$300	\$300
Promotions - Depot	\$300	\$0	\$300	\$300	\$300
Awards - Exec Director	\$14,000	\$1,324	\$12,000	\$12,000	\$12,000
Protocol	\$3,000	\$502	\$3,000	\$3,000	\$3,000
Contingency	\$356,789	\$129,455	\$100,000	\$104,400	\$104,400
Wellness Program	\$750	\$0	\$750	\$750	\$750
IACE Planning Conf	\$30,000	\$791	\$0	\$0	\$0
Department Total	\$417,639	\$138,974	\$127,850	\$132,250	\$132,250

FY 01 Fin Plan	Civil Air Patrol		Corporate Budget As of: 18 May 00		
	FY 00		Request	FY 01	
Account Description	Budgeted	Expensed		Fin Comm Recomm	NEC Approved
Dept 085 - Legislative Support					
Travel	\$6,000	\$1,563	\$5,000	\$5,000	\$5,000
Department Total	\$6,000	\$1,563	\$5,000	\$5,000	\$5,000
Dept 090 - General Counsel					
Professional Legal Services	\$8,300	\$0	\$8,300	\$8,300	\$8,300
Telephone	\$3,100	\$1,157	\$3,100	\$3,100	\$3,100
Miscellaneous	\$1,000	\$425	\$1,000	\$1,000	\$1,000
Department Total	\$12,400	\$1,582	\$12,400	\$12,400	\$12,400
Dept 090 - Insurance					
Senior & Cadet Accident Claims	\$10,000	\$1,967	\$10,000	\$9,000	\$9,000
Employee Practice Liability	\$10,000	\$0	\$0	\$0	\$0
Accident/Death Benefits	\$15,000	\$0	\$15,000	\$15,000	\$15,000
Department Total	\$35,000	\$1,967	\$25,000	\$24,000	\$24,000
Dept 095 - Aerospace Ed & Trng					
Senior Trng Ribbons & Postage	\$400	\$270	\$400	\$400	\$400
Cadet AE Program	\$4,500	\$0	\$119,700	\$74,700	\$74,700
Satellite Tool Kit	\$25,000	\$3,070	\$5,000	\$10,000	\$10,000
Nat Legal Officers Staff Coll	\$0	\$0	\$4,500	\$4,500	\$4,500
Natl Insp General College	\$20,000	\$1,500	\$0	\$0	\$0
SR National Staff College	\$7,400	\$0	\$7,500	\$7,500	\$7,500
SR Region Staff College	\$28,000	\$7,600	\$28,000	\$28,000	\$28,000
SR Sqdn Leadership School	\$12,480	\$4,080	\$12,480	\$12,480	\$12,480
Corporate Learning Course	\$7,280	\$1,720	\$7,280	\$7,280	\$7,280
SR Wing Commander Course	\$11,250	\$10,399	\$11,250	\$11,250	\$11,250
Aerospace Ed Promotion	\$14,000	\$7,271	\$15,000	\$14,000	\$14,000
Department Total	\$130,310	\$35,910	\$211,110	\$170,110	\$170,110
Dept 100 - Cadet Program					
IACE Support	\$182,000	\$4,778	\$187,200	\$181,200	\$181,200
NCC Trip to DC	\$1,500	\$0	\$1,500	\$1,500	\$1,500
Cadet Flight Training	\$35,000	\$0	\$31,050	\$30,000	\$30,000
Cadet Flt Orientation	\$250,000	\$102,584	\$300,000	\$250,000	\$250,000
Cadet Officer School	\$12,000	\$1,560	\$12,000	\$11,000	\$11,000
Blue Beret	\$5,000	\$566	\$5,500	\$5,000	\$5,000

FY 01 Fin Plan	Civil Air Patrol		Corporate Budget As of: 18 May 00		
	FY 00		Request	FY 01	
Account Description	Budgeted	Expensed		Fin Comm Recomm	NEC Approved
Natl. Flight Academy-Powered	\$16,000	\$0	\$35,000	\$28,000	\$28,000
Natl Flight Acedemy-Glider	\$20,000	\$0	\$28,000	\$28,000	\$28,000
Familiarization Courses	\$13,000	\$0	\$17,000	\$13,000	\$13,000
Natl Cadet Comp & Color Guard	\$26,000	\$18,065	\$126,000	\$26,000	\$26,000
Hawk Mountain Ranger School	\$5,000	\$0	\$5,000	\$5,000	\$5,000
Natl Cadet Advisory Council	\$4,000	\$162	\$4,500	\$4,500	\$4,500
Pararescue Orientation Course	\$14,000	\$0	\$12,000	\$12,000	\$12,000
RGN Cadet Leadership School	\$4,000	\$0	\$6,000	\$4,000	\$4,000
Senior Training for Cadet Leaders	\$3,000	\$0	\$3,000	\$1,500	\$1,500
Department Total	\$590,500	\$127,715	\$773,750	\$600,700	\$600,700
Dept 105 - Financial Management					
Cash Flow/Reimb Fund	\$50,000	\$0	\$50,000	\$0	\$0
Department Total	\$50,000	\$0	\$50,000	\$0	\$0
Dept 110 - Marketing & PR					
CAP News - General	\$265,000	\$128,182	\$265,000	\$265,000	\$265,000
Special Printing	\$10,000	\$8,248	\$10,000	\$10,000	\$10,000
Electronic Media	\$5,000	\$2,617	\$5,000	\$2,600	\$2,600
CAP Exhibits	\$50,000	\$22,369	\$50,000	\$50,000	\$50,000
Promo Items	\$5,000	\$1,770	\$7,500	\$7,500	\$7,500
PA Resource/Membership Dues	\$2,500	\$2,178	\$2,500	\$2,500	\$2,500
Market Research	\$3,000	\$0	\$0	\$0	\$0
Oshkosh Aircraft Display	\$9,100	\$268	\$9,000	\$2,500	\$2,500
PR Advertising	\$100,000	\$2,238	\$100,000	\$36,604	\$36,604
Membership Development	\$0	\$0	\$21,300	\$11,300	\$11,300
Department Total	\$449,600	\$167,870	\$470,300	\$388,004	\$388,004
Dept 115- Data Automation					
Membership Supplies	\$40,000	\$36,633	\$40,000	\$40,000	\$40,000
Department Total	\$40,000	\$36,633	\$40,000	\$40,000	\$40,000

Account Description	FY 00		Request	FY 01	
	Budgeted	Expensed		Fin Comm Recomm	NEC Approved
Dept 120 - Operations					
Safety Flight Clinics	\$8,000	\$2,440	\$8,000	\$5,000	\$5,000
Safety	\$4,000	\$0	\$4,000	\$2,000	\$2,000
Emergency Services	\$12,120	\$7,908	\$12,120	\$8,000	\$8,000
Stan Eval	\$10,000	\$0	\$10,000	\$5,000	\$5,000
National GSAR School	\$8,000	\$0	\$8,000	\$8,000	\$8,000
Department Total	\$42,120	\$10,348	\$42,120	\$28,000	\$28,000
Dept 125 - Personnel					
Personnel Salaries	\$65,000	\$0	\$161,120	\$161,120	\$161,120
Health Insurance	\$3,876	\$0	\$10,456	\$10,456	\$10,456
FICA - Personnel	\$5,135	\$0	\$12,560	\$12,560	\$12,560
Travel	\$0	\$0	\$25,000	\$25,000	\$25,000
1-800 Number	\$4,000	\$1,486	\$4,000	\$4,000	\$4,000
Recruiting and Retention	\$21,300	\$1,161	\$0	\$0	\$0
National Assembly Dues	\$5,200	\$0	\$0	\$0	\$0
Department Total	\$104,511	\$2,647	\$213,136	\$213,136	\$213,136
Dept 140 - Logistics					
Oshkosh Lease	\$720	\$924	\$1,000	\$1,000	\$1,000
Oshkosh Utilities	\$3,500	\$2,262	\$3,500	\$3,500	\$3,500
Oshkosh Facility MX	\$7,500	\$0	\$7,500	\$7,500	\$7,500
Property Taxes	\$1,200	\$197	\$500	\$500	\$500
Department Total	\$12,920	\$3,383	\$12,500	\$12,500	\$12,500
Dept 140 - Hull Self-Insurance (Offset by Investments)					
Claims	\$0	\$35,159	\$0	\$0	\$0
Claims (Pd to Reg & Wgs)	\$0	\$52,849	\$0	\$0	\$0
Department Total	\$0	\$88,008	\$0	\$0	\$0
Dept 140 - Vehicle Self-Insurance (Offset by Income)					
Claims	\$20,265	\$0	\$20,265	\$20,265	\$20,265
Claims (Pd to Reg & Wgs)	\$15,000	\$14,558	\$15,000	\$15,000	\$15,000
Department Total	\$35,265	\$14,558	\$35,265	\$35,265	\$35,265

Account Description	FY 00		Request	FY 01	
	Budgeted	Expensed		Fin Comm Recomm	NEC Approved
Dept 145 - National Programs					
Natl Board Conference Fee	\$120,000	\$20,452	\$94,000	\$94,000	\$94,000
Natl Board Transportation	\$7,500	\$0	\$6,000	\$6,000	\$6,000
Natl Board Hall of Honor	\$1,000	\$0	\$1,000	\$1,000	\$1,000
NCASE	\$110,000	\$56,857	\$100,000	\$100,000	\$100,000
Natl Board Committee	\$5,000	\$0	\$5,000	\$5,000	\$5,000
Board of Governors	\$0	\$0	\$20,000	\$20,000	\$20,000
Legislative Liaison & Program	\$20,000	\$3,804	\$20,000	\$20,000	\$20,000
Department Total	\$263,500	\$81,113	\$246,000	\$246,000	\$246,000
Total	\$2,397,765	\$855,632	\$2,475,331	\$2,114,365	\$2,114,365

Dept 150 - Bookstore					
Salaries	\$385,582	\$171,243	\$433,820	\$433,820	\$433,820
Retirement Annuity	\$19,000	\$3,251	\$19,000	\$19,000	\$19,000
Health Insurance	\$52,500	\$26,776	\$52,500	\$52,500	\$52,500
Life Insurance	\$672	\$263	\$672	\$672	\$672
FICA	\$29,497	\$12,993	\$33,188	\$33,188	\$33,188
Office Supplies	\$3,000	\$1,355	\$3,000	\$3,000	\$3,000
Data Processing Supplies	\$15,000	\$1,633	\$15,000	\$15,000	\$15,000
Operating Supplies	\$56,000	\$27,632	\$56,000	\$56,000	\$56,000
Telephone	\$60,000	\$28,623	\$60,000	\$60,000	\$60,000
Postage	\$150,000	\$43,172	\$150,000	\$150,000	\$150,000
Equip. Rental & Maint.	\$36,000	\$23,668	\$56,000	\$56,000	\$56,000
Vehicle Maint.	\$2,000	\$6,561	\$5,000	\$5,000	\$5,000
Vehicle Operating Exp.	\$3,000	\$1,101	\$4,000	\$4,000	\$4,000
Exec Dir Promotions	\$500	\$0	\$500	\$500	\$500
Travel	\$2,500	\$0	\$2,500	\$2,500	\$2,500
Meals & Lodging	\$12,000	\$2,114	\$15,000	\$15,000	\$15,000
Depreciation	\$5,940	\$0	\$5,940	\$5,940	\$5,940
Outbound Freight	\$200	\$0	\$200	\$200	\$200
Bad Check Expense	\$250	\$0	\$250	\$250	\$250
Credit Card Expense	\$24,000	\$13,367	\$30,000	\$30,000	\$30,000
Gain/Loss on Sales	\$2,500	\$0	\$2,500	\$2,500	\$2,500
Miscellaneous	\$2,000	\$728	\$2,000	\$2,000	\$2,000
Fixed Assets	\$0	\$0	\$28,930	\$28,930	\$28,930
Department Total	\$862,141	\$364,480	\$976,000	\$976,000	\$976,000

Account Description	FY 00		Request	FY 01	
	Budgeted	Expensed		Fin Comm Recomm	NEC Approved
Dept 155 - Supply Depot					
Salaries	\$531,709	\$ 216,974	\$568,394	\$568,394	\$568,394
Retirement Annuity	\$17,465	\$ 5,931	\$20,315	\$20,315	\$20,315
Health Insurance	\$75,050	\$ 24,403	\$81,372	\$81,372	\$81,372
Life Insurance	\$856	\$ 239	\$856	\$856	\$856
FICA	\$40,676	\$ 16,524	\$43,482	\$43,482	\$43,482
Audit	\$20,000	\$ -	\$20,000	\$20,000	\$20,000
Office Supplies	\$4,000	\$ 990	\$4,250	\$4,250	\$4,250
Data Processing Supplies	\$9,390	\$ 6,685	\$9,000	\$9,000	\$9,000
Operating Supplies	\$8,500	\$ 4,587	\$9,500	\$9,500	\$9,500
Telephone	\$48,000	\$ 28,432	\$48,000	\$48,000	\$48,000
Gas Heating	\$4,650	\$ 2,827	\$4,950	\$4,950	\$4,950
Water	\$1,335	\$ 826	\$1,600	\$1,600	\$1,600
Electricity	\$9,000	\$ 3,011	\$9,000	\$9,000	\$9,000
Postage	\$75,000	\$ 31,237	\$75,000	\$75,000	\$75,000
Office Machine Maint.	\$7,000	\$ 2,624	\$7,000	\$7,000	\$7,000
Vehicle Maintenance	\$14,500	\$ 6,063	\$14,500	\$14,500	\$14,500
Facility Maintenance	\$13,750	\$ 10,749	\$17,000	\$17,000	\$17,000
Vehicle Oper. Expense	\$6,200	\$ 3,481	\$5,000	\$5,000	\$5,000
Advertising	\$5,000	\$ 2,587	\$0	\$0	\$0
Travel	\$4,700	\$ 1,982	\$2,400	\$2,400	\$2,400
Meals & Lodging	\$9,550	\$ 4,321	\$2,800	\$2,800	\$2,800
Depreciation	\$49,663	\$ -	\$49,663	\$49,663	\$49,663
Facility Lease	\$18,573	\$ 19,210	\$18,450	\$18,450	\$18,450
Outbound Freight	\$10,000	\$ 11,901	\$20,000	\$20,000	\$20,000
Bad Check Expense	\$0	\$0	\$0	\$0	\$0
Credit Card Expense	\$9,200	\$ 4,162	\$9,200	\$9,200	\$9,200
Tech Pubs	\$1,200	\$ 1,234	\$2,700	\$2,700	\$2,700
Catalog Expense	\$35,000	\$ 7,076	\$35,000	\$35,000	\$35,000
Miscellaneous	\$6,500	\$ 3,360	\$23,250	\$23,250	\$23,250
Professional Development	\$4,200	\$ 600	\$4,200	\$4,200	\$4,200
Major Equip Purchases	\$26,613	\$ -	\$7,500	\$7,500	\$7,500
ADP Payroll Expense	\$0	\$ -	\$5,000	\$5,000	\$5,000
Conference Activity	\$0	\$ -	\$40,045	\$40,045	\$40,045
GPS Tech Support	\$7,500	\$ -	\$7,500	\$7,500	\$7,500
Department Total	\$1,074,780	\$422,016	\$1,166,927	\$1,166,927	\$1,166,927
Total Expenses	\$4,334,686	\$1,642,128	\$4,618,258	\$4,257,292	\$4,257,292



OFFICE OF THE CHIEF OF CHAPLAIN SERVICE
HEADQUARTERS CIVIL AIR PATROL
UNITED STATES AIR FORCE AUXILIARY
1298 SOUTH BRENTWOOD WAY
LAKEWOOD, CO 80232



Chaplain Colonel James Moore, CAP
(303) 980-9494 office/study
(303) 985-7655 res
(303) 980-9424 fax
1-800-870-4716 voice mail
jmoore.hc@juno.com

20 January 2000

B. General James Bobick
National Commander, CAP
15575 East Chenango
Aurora, CO. 80015

RE: Request for Deputy Chief budget

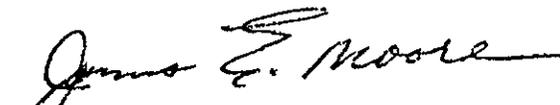
Dear General Bobick,

The Chaplain Service Advisory Council (CSAC) has designated the Deputy Chief of chaplains, James H. Melancon, as Dean of the eight Region chaplain staff colleges with responsibilities to evaluate and approve their requested annual curriculum. This is identified in CAPR 265-1 14c. As such it would be beneficial for him to personally attend a few colleges each year thus enabling him to better evaluate and suggest improvements.

Past experience of normal financial expenses to attend a Region college is about \$600.00 for round trip air fare transportation. Housing accommodations are provided by the Region, usually on a military installation. This request is for a line item fund for the Deputy Chief to attend 4 colleges each year thus providing evaluation of all 8 colleges during a his tenure.

Thank you for your earliest consideration of this matter. Region chaplain service staff colleges are 24 April, 1 May, 14 May, 16 May, 22 May, 12 June and conclude at National Board in August.

Sincerely,


JAMES E. MOORE, Chaplain Colonel
Chief of CAP Chaplain Service

B. Property Accountability

Recommendations:

B.1.a. The report recommended that the Executive Director, Civil Air Patrol establish a standardized equipment authorization that a wing needs to accomplish its mission. The Civil Air Patrol National Commander concurred with the recommendation, stating that this has already been accomplished with respect to communications equipment and that the remainder is under study by CAP's management consultants PricewaterhouseCoopers, with implementation expected by August 1, 2000. The audit response requested the National Commander provide specific details on how the PriceWaterhouseCoopers study will satisfy the intent of this recommendation.

Supplemental CAP Comments: The PricewaterhouseCoopers study has not reached the phase at which the issue was intended to be addressed. However, the Air Force is now assisting CAP in developing the recommended standardized equipment authorization for CAP wings. Equipment standards will be based on mission, required capability and size of units. CAP-USAF/LG is polling wings for inputs. Due to complexity of standardizing equipment needs for wings operating from the tropics of Puerto Rico to the Alaskan arctic, from the sea level coastal environment to the highest mountain peaks, and with varying levels of demand for emergency services, cadet programs and aerospace education, anticipated implementation has slipped to 1 Jan 01. Preliminary compilation of information is anticipated to be completed by 1 Oct 00.

B.1.b. The report recommended that the Executive Director, Civil Air Patrol implement the policies and procedures for accounting for non-expendable equipment acquired with DoD appropriated funds. The Civil Air Patrol National Commander concurred with the recommendation, stating that inputs are being gathered from the PricewaterhouseCoopers study in progress and from select CAP regions and wings, with implementation expected by August 1, 2000. The audit response requested the National Commander provide specific details on how the PricewaterhouseCoopers study will satisfy the intent of this recommendation.

Supplemental CAP Comments: This establishment of standardized equipment authorizations and accounting for nonexpendable equipment has been deleted from the scope of the PricewaterhouseCoopers study. CAP has adopted DoDGAR section 32.2 definition of "equipment" as threshold for equipment accountability requirements. In coordination with CAP-USAF/LG, an extensive rewrite of CAP Regulation 67-1 governing the policies and procedures for accounting for equipment is in progress. The rewritten regulation will establish minimum criteria for determining if an item is accountable and will establish a requirement for an annual physical inventory. Under consideration is a proposal to require units to account for all computers and communication equipment for useful life and all other equipment having a fair market value of \$2,000 or more and a useful life greater than one year. The revised regulation will also establish procedures for each unit to identify items that should no longer be on the accountable equipment list, a process

for deleting such items from the list, and an office in CAP National Headquarters responsible for approving removal of items no longer required to be accounted for. The revised regulation is expected to be issued 1 Aug 00 with full implementation by 1 Oct 00.

C.1.a. The report recommended that the Executive Director, Civil Air Patrol monitor the filing of CAP Form 108, "Civil Air Patrol Payment and Reimbursement Document for Aviation, Automotive, and Miscellaneous Expenses," and provide guidance to those wings in need of assistance. The Civil Air Patrol National Commander concurred, stating that accomplishment is contingent on availability of funding for additional staff, information systems, software, and programming to automate and streamline submission, approval, and reimbursement processes and to provide Internet-based training, with implementation expected within 6 months of funding availability. The audit response stated disbelief that additional staff is needed to satisfy the intent of this recommendation, expressed the opinion that liaison office personnel and the counterdrug officer for each wing could provide guidance and assistance as needed, and requested the National Commander reconsider his position and provide additional comments.

Supplemental CAP Comments: Liaison office personnel, counterdrug officers and others now provide guidance and assistance on the filing of Form 108. As a result of the Audit Report, CAP has heightened the awareness of liaison personnel and volunteers of the importance of timely and correctly completing and submitting this Form. In accordance with the Joint Report to Congress dated 2 Dec 98, submitted by the Air Force and CAP, planning is underway for the CAP wing liaison function to return to the Air Force (CAP-USAF). This may occur as soon as 1 Oct 00. CAP will request CAP-USAF continue assign to wing liaison personnel this function of providing the recommended guidance and assistance to CAP members. Meanwhile, CAP has expanded and improved curriculum content on the subject of proper use of the Form 108 in the semi-annual Counterdrug Orientation Distance Learning satellite television broadcast training program. (See also: supplemental comment to C.1.c., below.) These curriculum improvements were implemented in the most recent broadcast on 18 March 00, which was downlinked to 81 training sites nationwide, where it was viewed by 1,884 CAP senior members and liaison staff. This training will better enable liaison personnel and counterdrug officers to continue to provide the recommended guidance and assistance as needed. However, CAP believes that this guidance could be more widely, timely and effectively distributed to the general membership via Internet-based distant learning. Likewise, CAP believes that the monitoring function would benefit from an automated electronic filing capability including a coaching function that would aid members in correct completion of the form while accomplishing the additional desired outcome of paperwork reduction. Such training and electronic filing capabilities are dependent upon funding to acquire additional information systems, with associated programming, software and Internet access for units in the field.

C.1.b. The report recommended that the Executive Director, Civil Air Patrol establish procedures for timely submission of paperwork. The Civil Air Patrol National Commander concurred, stating that accomplishment is contingent on availability of



National Headquarters
Civil Air Patrol
Marketing and Public Relations
105 South Hansell Street
Maxwell AFB AL 36112

15 May 2000

MEMORANDUM FOR THE NEC

SUBJECT: Report on PA's PR Advertising Budget Line Item

At the May, 1999, NEC meeting a line item of \$100,000 was approved for PA PR Advertising. At that time Colonel Kauffman said he would like a report at the Winter National Board on how we were utilizing these funds. Since other pressing matters were to be considered at that meeting, I have waited until this time to report.

One of the primary media outlets we hoped to test with these funds was outdoor advertising. It was our intention to launch a national billboard campaign in January of this year. However, since this was our first endeavor into this medium, we under-estimated the time required to cultivate the relationship with the billboard company, Lamar, to secure pro-bono billboard space. Our target date to launch the outdoor advertising is now July, 2000.

Production and posting costs will be paid out of this year's budget, as well as some of the shipping costs. Production of the billboard posters will begin in about two weeks.

It is our intention to post billboards in thirty-five markets. Based on space availability we will attempt to post these in a minimum of four wings per region. Lamar has billboard space in all but eleven states. Had we rented the billboard space, our costs would have been in excess of \$100,000 just for the rental. Lamar will provide reports to us reflecting the length of time a billboard was posted and the number of impressions received (people who saw the billboard.) Our primary purpose in testing this medium is to gain visibility for CAP.

Approximately \$30,000 of this funding will be spent to develop two or three PSAs. At a meeting with the White House Office of National Drug Control Policy (ONDCP) in February in Washington, D.C., we pursued the opportunity for CAP to be included in their National Youth Anti-drug Media Campaign. The staff at ONDCP was very encouraging and felt that CAP was "a good fit." Since that time we have been in touch with the Ad Council who manages the PSA placement and reviews potential partner's videos for ONDCP. The Ad Council has also been encouraging. The PSAs will be produced by the National Guard's Multijurisdictional Task Force Training group in St. Petersburg, FL.

At the same time, we have contacted a celebrity search firm in Los Angeles to secure a highly visible personality to serve as a spokesperson for CAP in the PSAs. This individual will more than likely be a private pilot to establish an affinity with CAP. Our target date to have the PSAs complete and to the Ad Council is no later than the middle of August.

Attached for your information is a copy of the PR Campaign Abstract submitted to Lamar for consideration to include CAP in their pro-bono program. The last page of the abstract includes an approximated budget for these projects. If there are questions, I will be happy to answer them.


MARYNELL CROWE
Director, Marketing and Public Relations

CIVIL AIR PATROL

Public Relations Campaign

Theme: Where Imagination Takes Flight!

Abstract

Civil Air Patrol is a nonprofit volunteer organization, congressionally chartered with three specific missions: Emergency Services, Aerospace Education, and Cadet Programs. Its membership consists of 60,000 adult and youth volunteers located in all 50 states, plus the District of Columbia and Puerto Rico. Since public support is crucial to nonprofit organizations, a comprehensive public relations campaign has been developed by National Headquarters Civil Air Patrol.

With Civil Air Patrol's diverse missions, it was necessary to develop a broad-messaged theme that applies to all CAP missions. "Where Imagination Takes Flight!" was chosen because it strongly addresses CAP's Aerospace Education and Cadet Programs, with a broader application applying to adult members participating in our Emergency Services missions.

The campaign is slated to kick off this summer, and National Headquarters is developing printed media and public service announcements that echo the theme "Where Imagination Takes Flight!"

The campaign calls for securing space-available billboard advertising through a national outdoor advertising corporation. A preliminary design has been developed to aid in determining costs associated with a space-available billboard campaign.

Compelling Need

Civil Air Patrol receives the bulk of its funding through appropriated funds administered by the U.S. Air Force. Most of these funds are earmarked to support CAP missions, with a relatively modest amount set aside to support a small administrative staff.

Historically, Civil Air Patrol has relied on its volunteers to promote their organization. The result has been inconsistent exposure and disconnected messages. For organizations that rely on federal funding, public support is crucial. The "Where Imagination Takes Flight!" campaign is designed to increase public awareness of one of the country's most active volunteer organizations.

Government guidelines prohibit the use of appropriated funds for most marketing programs. Through donations, fund-raising and membership dues, Civil Air Patrol has a modest sum of nonappropriated moneys available for activities that don't fit the criteria for use of appropriated funds. In fiscal year 1999-2000, corporate funds have been set aside to finance a public relations campaign. Since these funds are limited, it is necessary for CAP to secure space-available advertising.

Purpose

"Where Imagination Takes Flight!" endeavors to enhance public awareness of Civil Air Patrol contributions to the public. The campaign's mission statement reads: "To inform internal and external audiences of Civil Air Patrol's national importance; enable the organization to grow; protect the image and assets of the corporation; and strengthen relationships with key audiences and customers."

Focus Topics:**Imagine...**

- Flying an airplane
- Mentoring young people
- Saving lives
- Helping school teachers promote student interest in aerospace curriculum

Media Strategy

Civil Air Patrol seeks to disseminate its message through promotional materials, public service announcements, and outdoor advertising.

Printed materials

Media folders, posters, and brochures touting the theme "Where Imagination Takes Flight!"

Public Service Announcements

Civil Air Patrol is working in partnership with ONDCP and the National Guard Bureau's Multijurisdictional Counterdrug Joint Task Force Training to produce and distribute broadcast and radio PSAs. Civil Air Patrol is working with Celebrity Connection out of Los Angeles to secure a celebrity spokesperson to be featured in these videos. The PSAs will be submitted to the Ad Council for consideration to be aired as part of the ONDCP's National Youth Anti-Drug Media Campaign. Though the PSAs will have an antidrug message, they will also echo our ongoing theme "Where Imagination Takes Flight!"

Outdoor Advertising

To reinforce the campaign theme and introduce Civil Air Patrol to the general public, CAP seeks to secure space-available advertising through a national outdoor advertising company. National Headquarters has worked with Lamar Advertising's Montgomery staff and Vincent Printing, Hixon, Tenn., to develop a billboard design suitable for outdoor advertising. The campaign calls for the production of 350 10'5" X 22'8" billboards. The billboards should be located in key markets within CAP's eight regions. Civil Air Patrol will pay for billboard production, posting and shipping fees, detailed in Attachment 1.



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