



CALIFORNIA WING OPERATING INSTRUCTION 21

1 October 2008

Finance

WING FINANCIAL POLICY

Background

CAPR 173-2 defines financial procedures for CAP regions and wings. The wing commander is required to establish certain policies with limits to insure proper control of corporate funds. These policies are documented below. Because California Wing has implemented the Wing Banker Program, the following applies to CAWG HQ staff only.

Regulatory Compliance

CAWG will fully comply with the provisions of CAPR 173-2, including the associated Chart of Accounts. Non-standard accounts will not be used for purposes of expedient bookkeeping.

Checking Accounts

1. California Wing maintains five checking accounts. Two of these accounts hold subordinate unit funds in accordance with Wing Banker Program requirements. Members of the Finance Committee authorized to sign checks drawn on these accounts are shown in the following table.

Member Name	General Account (PAYPAL)	Aircraft Minor Maintenance Account	Squadron General Account	Squadron Aircraft Account **	Special Activities Account
Kenneth Parris	X	X	X	X	X
John Longley	X	X	X	X	X
William Cumming	X	X	X	X	X
James Crum	X	X	X	X	X
James Porter	X	X	X	X	X
Burleigh Putnam	X	X	X	X	X
Ronald Butts	X	X	X	X	X
Antony Upton	X	X	X	X	X
*John Boyle					X
*Wayne Brown					X
*Daniel Niessen					X
*Mark Williams					X

*Not Members of Finance Committee. Those named are authorized to sign checks drawn on the Special Activities Account while attending Cadet special activities such as Encampment, Cadet Programs Conference, etc. IAW CAPR 173-2, Para 6.k. Transfer of funds into and distribution of checks for the Special Activities Account must have prior Finance Committee approval.

** For work simplification, the Finance Committee voted to merge the Squadron Aircraft Account into the Squadron General Account, effective 1 Oct 08. Units will make all deposits to the Squadron General Account, but segregate general income from aircraft income through use of CAWGF 3 (general) versus CAWGF 1 (aircraft) deposit advice forms. Tail number accounting will be maintained through QuickBooks.

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2. Transfer of funds between accounts may be accomplished by use of checks or electronic means. Use of electronic transfers is limited to the CAWG Commander, Vice Commander, Finance Director or Senior Wing Administrator and may not exceed \$25,000 per transfer.
3. Routine transfer of funds between the General Account and other CAWG accounts does not need prior Finance Committee approval. This account is used as a matter of convenience to receive all funds from NHQ/FM. Aircraft Minor Maintenance (appropriated) funds are routinely transferred to the Aircraft Minor Maintenance Account before final dispersal. In addition, under the Wing Banker Program, subordinate unit funds are deposited into the Squadron General Account, and then may be transferred, until needed, to a Savings Account, where they are held for benefit of the particular unit. All disbursements other than those related to aircraft minor maintenance are paid from the General Account or Squadron General Account.
4. Transfer of funds between the Squadron General Account and the Aircraft Minor Maintenance Account does not need prior Finance Committee approval. Subordinate units deposit all aircraft-related funds including Operations and Maintenance surcharges into the Squadron General Account. Minor Maintenance funds based on published minimum rates and flight hours as recorded on CAPF18 are then transferred to the Aircraft Minor Maintenance Account. Qualifying minor maintenance disbursements are made from the Aircraft Minor Maintenance Account, while non-qualifying disbursements (Operations and Maintenance expense) are paid from the Squadron General Account.

Savings Accounts and Certificates of Deposit

1. California Wing maintains two savings accounts known as General Savings and Squadron Savings. These interest bearing accounts are used to hold funds in excess of that required for day to day coverage of expenses. Both accounts are maintained by electronic transfer of funds by the CAWG Commander, Vice Commander, Director of Finance or Senior Wing Administrator. Earned interest will be credited to the subordinate units in proportion to their participation.
2. Excess funds may also be invested in certificates of deposit in order to maximize growth. While CAPR 173-2 prohibits co-mingling unit funds with wing funds, excess funds from several units may be combined to obtain a better interest rate. Certificates funded for benefit of subordinate units will be coordinated by CAWG/FM with the respective unit finance committees prior to purchase. Earned interest will be credited to the subordinate units in proportion to their participation.

Expense

1. Requests for direct payment of vendors under the CAWG Aircraft Minor Maintenance Banking program will be made through the Aircraft Purchase Order (ACPO) system. Completed maintenance actions will be indicated by submitting an invoice relating to a previously requested purchase order. Submission will be by email attachment or facsimile transmission, and will be approved by CAWG/DOAM prior to payment.
2. All requests for reimbursement, except those using the ACPO system, will be made on CAWG Form 11 *Disbursement Request*, clearly identifying the payee, description of the expense and one or two authorized signatures. All expense will be supported by invoice(s). For expenses under \$1500, the CAWGF 11 will be approved by a member of the Finance Committee, other than CAWG/FM. Non-recurring expenses over \$1500 will be approved by the Finance Committee, recorded in official minutes, and two approval signatures will be entered on CAWGF 11.
3. CAWG Forms 11 requesting reimbursement for aircraft or vehicle maintenance expense will be approved by a Finance Committee member representing a directorate other than the one preparing the

request. CAWG Forms 11 will not be approved by CAWG/FM.

4. The CAWG/FM will not approve any invoice presented to Wing for payment.

5. Certain operating expenses **recur** on a monthly or other frequency, e.g., credit card, telephone, Internet connection, FedEx billings, and office equipment maintenance. These expenses, **listed in the table below**, which are billed directly by the vendor, will not require preparation of CAWG Form 11, but will be supported only by the vendor's invoice.

6. Some recurring expenses may exceed the \$1500 limit normally requiring full committee approval. In order to minimize the need to obtain repetitive approvals, invoices not exceeding the following limits may be paid without individual approval. Supporting documentation is required as stated above. The following expenses have been declared as recurring and approved for payment upon receipt of an invoice:

RECURRING MONTHLY EXPENSES
Each Expense Listed is Not to Exceed the Limit Listed Below
Any Expenditure that Exceeds the Specific Amounts Below
Requires Finance Committee Approvals.

NAME	DESCRIPTION	Limit
Various	Aircraft Minor Maintenance, whether paid directly to a vendor or by reimbursing a member or subordinate unit.	\$7500
Various	Vehicle Maintenance, NHQ approved	\$1800
Various	Repeater site rental paid on an <u>annual</u> basis	\$2000
American Tower	Repeater Site – Oat Mountain – Monthly	\$200
American Tower	Repeater Site – Blue Ridge – Monthly	\$286
Crown Castle	Repeater Site – Palo Escrito – Monthly	\$40
Mobile Relay	Repeater Site – Saddle Peak – Monthly	\$200
Montesol Telecommunications	Repeater Site – Mt St Helena – Monthly	\$200
Palomar	Repeater Site – Palomar Mountain – Monthly	\$70
GlobalStar	Satellite Phone – Monthly	\$2
Total Funds	Postage - Monthly	\$250
Hasler	Postage Meter – Quarterly	\$125
Postmaster	P.O. Box Rental – Semi-Annual	\$180
Federal Express	Shipping – Each Shipment	\$30
Xerox	Copier Maintenance Contract - Monthly	\$65
Staples	Office Supplies – Monthly	\$150
AT&T	HQ Telephone/FAX – (818) 989-8100	\$300
AT&T	Cadet Exchange (818) 464-3777, (800) 522-3387	\$60
United Voicemail	Cadet Exchange (818) 464-3777	\$30
Verizon	WMAO Telephone – (909) 979-0002	\$30
XO Communications	Internet T1 service	\$710
Sterling Bank Visa	Allen Graff Credit Card – Imperial Fuel and Lodging	\$22,000
Sterling Bank Visa	Paul Reed Credit Card – CD Ops	\$2000
Sterling Bank Visa	Ken Parris Credit Card	\$5000
Sterling Bank Visa	Tom Hoebink Credit Card	\$2000
Sterling Bank Visa	Gary Cinnamon Credit Card	\$1000

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American Express	Merchant Card Services – Monthly	\$10
United Merchant Services	Merchant Card Services - Monthly	\$35
Any	Remittance of CAPF 108 expense	\$2000

7. Cadet Programs conducts major activities such as Encampment and Cadet Programs Conference annually. Each of these activities operates on a budget approved in advance by the Finance Committee, and all expenses are documented prior to payment. A reconciliation of budget vs. actual expense, with receipts attached, is submitted to CAWG/FM following the activity. When the Special Activities Account is used to support an activity, any unused checks will be returned to CAWG/FM with the reconciliation.

Credit Cards

Credit cards are authorized for use by subordinate units and selected wing staff. Specific limits, usage guidelines, and reconciliation procedures are documented in Operating Instruction 25.

FedEx Account

California Wing maintains an account with FedEx to expedite shipping of official paperwork and other items between various locations. Use of the account is limited to selected key members of the staff who have signed an agreement regarding that use. Part of the agreement is to forward the original invoice (Airbill) to CAWG/FM promptly after making a shipment. The invoices provide a control on the monthly FedEx billings.

Audits

A member of the Finance Committee other than CAWG/FM will be assigned to conduct the quarterly financial review in accordance with the guidelines specified in CAPR 173-2, Para 4.i. The financial review will be completed within 45 days after the end of each quarter.

Approved by Finance Committee: 1 Oct 2008

Certified 1 Oct 08, Lt Col William R. Cumming, FM