

# **SOUTHWEST REGION FINANCE COMMITTEE MEETING**

29 MARCH 2017 20:00 CENTRAL

## **Members attending:**

- Col Mark Smith, CC
- Lt Col Harriet Smith, CS
- Lt Col Debora Spencer, FM
- Col Brian Ready, CV1
- Lt Col Nancy Smalley, Assistant Finance

## **Agenda Items:**

- **Review FY 2017 Financials**
  - **Bank Balances**
  - **Dues Deficit**
- **New Business**
  - **SWR NFA Budget Approval**
  - **Interim Change Letter CAPR 173-1**
  - **CAC Budget Request**
  - **Region Reserve Spend Down Plan**
  - **Vanguard Funds Request**
  - **RCLS Budget Approval**

## **FY 2017 Financials:**

**Bottom Line Up Front:** We are currently in the black by **\$13,160.19**. All expense items are on target. We have received the 2Q Operating Expenses \$2000 from NHQ. Contributions now total \$431.

### **Bank balances:**

As of 1/31/17, the bank balance in Service First is \$64,135.98 and the bank balance in Wells Fargo is \$11,577.71--Total \$75,713.69. The balance in Wells Fargo is the same for February, but we have not received the February or March bank statements for the ServisFirst account.

**Dues Deficit:** At the time the FY 17 Draft Budget was set up, the estimated Dues income was set at \$24000 based on the membership numbers at the time. Specifically, we should expect \$20000 from Seniors and \$4000 from Cadets.

Through February, the Dues Deficit is now \$227.

## **New Business:**

### **SWR NFA Budget Approval:**

NHQ Cadet Programs (Wendy Hamilton) has asked us to approve the three (3) SWR NFA budgets in Sertifi. NHQ CP has reviewed the budgets and compared them to actual expenses from the last two years,

and applied the appropriate corporate allocation to balance. The SWR Finance Committee has reviewed the three budgets and asked for more detailed budgets before we would consider approving them. Wendy Hamilton was going to forward them on 28 Mar, but we have not received the detailed budget as of yet.

The SWR Finance Committee decided to defer this item until we receive the detailed budgets.

Mission numbers for the National Flight Academy summer activities are loaded in WMIRS. They open 17 days before the start of the event. Share with your staff and those who need to know in your Ops & Wing/Region Finance chains.

Per NHQ Finance, please remember that this year, if staff are not using a prepaid or pay-as-you-go fuel account at the FBO, they must use the Shell credit card in the airplane just as they would for AFAMS. There is a check box on the sortie debrief which indicates the Shell card is used. These mission numbers are linked to the charges so that when Finance audits card use, these charges automatically match.

Mission No	Request No	Mission Symbol	Mission Name	Mission Start	Location	Mission Type
17-C-4428	REQ-17-3487	C22	NFA - TXWG Powered	5/16/2017 12:01:00 AM	TX	Special Activity
17-C-4426	REQ-17-3485	C22	NFA - SWR Powered	5/30/2017 12:01:00 AM	SWR	Special Activity
17-C-4427	REQ-17-3486	C22	NFA - TXWG Glider	6/22/2017 12:01:00 AM	TX	Special Activity

### Interim Change Letter-CAPR 173-1

This ICL aligns the R173-1 with CAP Regulation 1-2, *Publications Management*, by directing financial management procedures (FMP) be issued as supplements or operating instructions. The SWR Finance Committee has recently reviewed and updated the Expense Reimbursement and Credit Card Operating Procedure letters—but these documents will need to be re-named in accordance with the ICL. These must be forwarded to CAP/FM for approval.

### CAC Budget Request

South West Region Cadet Programs would like to propose and request funds expenditures to support a SWR Cadet Advisory Council (CAC) Face-to-Face meeting 12-14 MAY 2017 at the NMWG HQ at Kirtland AFB, Albuquerque, NM.

The primary purpose of the face-to-face is to foster a higher level of teamwork from the SWR CAC, in efforts that this level of personal interaction filters to the Wing level CAC echelons. Starting last year, it was opined that an annual face-to-face at the regional level creates an increased spark within the CAC, with goals that this spark continues to the wing level.

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|-------------------|-----------|
| 1. Travel Costs   | \$3200.00 |
| a. AZWG – \$300   |           |
| b. ARWG – \$400   |           |
| c. LAWG – \$400   |           |
| d. NMWG – driving |           |

- e. OKWG – \$450
- f. TXWG – \$400
- g. Chair – \$400
- h. Vice Chair – \$450
- i. Senior Advisor- \$400

All travel costs are estimated. Attendees will be booking their own flights, and will request for reimbursement. Actual travel costs will be calculated once all flight have been booked.

- 2. Lodging Costs \$600.00
  - a. Cadets will be billeted 2 per room. At the Air Force Inn located at Kirtland AFB.
  - b. A total of 5 cadet rooms will be needed for 2 nights
    - i.  $5 \times 60.00 \times 2 = \$600.00$  (no tax)
- 3. Food/Incidentals \$200.00
  - a. 4 meals (2 breakfast/1 lunch/1 dinner) will be purchased for the CAC. These meals will be at the Dining Facility on Kirtland AFB

The SWR Finance Committee voted to approve this request, and to pull the funds from the Wells Fargo account (\$3,550) and from ServisFirst (\$450).

### **Region Reserve Spend Down Plan**

Regions must spend down their excess funds as a prerequisite to getting Vanguard funds. We only have \$4K to spend down, per our previous discussions, and we planned to do that over the next 5 years. (We spent down \$1K already this year.) The SWR Finance Committee voted to apply the \$4000 approved for the CAC towards the Spend Down.

This would be in line with the Spenddown Plan proposed by Col Smith. These are two paragraphs from the proposal:

c. The amount of cash in Southwest Region’s account fluctuates greatly from month to month. A recent snapshot showed the region with \$45K in its account. Therefore, given a desired “reserve” of \$40K, our spenddown amount would be \$5K. Our plan is to conduct this spenddown over multiple years, at \$1K per year. We have spent roughly \$1K already for FY 17 through compensating our two chaplains for their expenses in participating in the train the trainer course mentioned earlier.

d. The excess \$4K, and any other excess amounts the region may possess in the future, will be earmarked to assist with the expenses of senior member professional development and cadet activities. Examples of senior member professional development expenses include region Staff College and national staff college registration fees or lodging. Examples of cadet activities expenses include region CAC face-to-face meetings and region cadet leadership school.

UPDATE: The two paragraphs above were modified in the following manner—

c. The amount of cash in Southwest Region’s account fluctuates greatly from month to month. Based on the 28 Feb 17 information distributed by CAP/CV on 28 Mar 17, Southwest Region had a total of \$76,162 in our cash balance. We are within the window I recommend for an appropriate cash reserve. However, in good faith Southwest Region approved the following spenddown plan at last night’s region finance committee meeting. First, \$4,000 was approved to support a May face-to-face meeting of the Southwest Region Cadet Advisory Council. Next, \$1,000 was spent earlier in the fiscal year to compensate our two chaplains for their expenses in participating in the train the trainer course mentioned earlier. Finally, \$1,517.31 was reimbursed to FM to cover our overspending our Vanguard Fund allocation in FY 16. As a result, based on the 28 Feb 17 figures we were provided, Southwest Region should have approximately \$69,645 in our cash balance. This amount falls within the cash balance range that I recommend for regions.

d. Any future excess amounts the region may possess will be earmarked to assist with the expenses of senior member professional development and cadet activities. Examples of senior member professional development expenses include region staff college and national staff college registration fees or lodging. Examples of cadet activities expenses include region CAC face-to-face meetings and region cadet leadership school.

The SWR Finance Committee approved the revised Spend Down plan, and it was submitted to NHQ.

### **Vanguard Funds Request**

A different process is going to be used this year for the allocation of Vanguard funds. SWR CC has asked the Wing CCs to submit needs the wings might have for Vanguard funds. To date, the following requests have been received:

- **NMWG:** NMWG has two suggestions for the allocation of Vanguard funds this year. First, we would like to offset the \$100 Officer's Fee our senior staffers have to pay to attend Cadet Encampment (\$1500). Secondly, we would like use Vanguard funds to pay the Albuquerque Balloon Fiesta registration fee of +- \$1750 to enter our balloon.
- **OKWG:** Here are some preliminary numbers, all are estimates.
  - 1) NRA Marksmanship - biannual event, estimated cost for each event \$500. This includes ammo, range time, study material, and badges. Total \$1,000.
  - 2) Color guard competition. Intrastate - 4 groups, 4 teams estimated cost for travel to Tinker AFB, food, awards, and color guard equipment. \$1,000. Inter region color guard competition. Travel, food and billeting, and fuel. based on GSA rate for El Paso. \$1,700. for the event. Total for color guard \$2,700.00.
  - 3) Glider program - tow cost, training materials, transportation to the location, estimated \$500 per event. 4 events per year. Total cost \$2000.
  - 4) Cadet Assistance - \$500 seed money for the purchase of ribbons, rank, etc. Total \$500.00
- **AZWG:** Arizona Wing is asking for \$2000. \$1000 to defray the cost of encampment for the cadets. \$1000 to defray the cost of the annual training conference to our senior members.
- **LAWG:** Louisiana Wing needs \$1200.00 for vehicle fuel for our cadet summer encampment
- **TXWG:** Here is what Texas Wing could use it to benefit TXWG and SWR.
  - 1) help with the rehab of the portable buildings at Wing HQ. portables will be used for classrooms and barracks.\$16,000 for the new roofs, replacement of some siding, install energy efficient windows and doors. (any portion possible)
  - 2) leadership reaction course (LRC). LRC could be used for the current leadership training that we host. CTEP, encampments, and possible SWR RCLS's.\$9500 for concrete blocks, foundation. Shade cover to make it usable while raining and/or protection from sun, 40x40 steel is \$23,000. cloth is \$4,250.
  - 3)Storage containers for ABU's. small building or container \$4500
  - 4) We are going to start to get bids on building out the inside of the drill hall at wing hq. It was national guard reserve center and the drill hall is wasted space. (except for the 19,000's ABU's). We are going to build out classrooms, so we can have more members attend training. So any funds that could be used to help do the build out would be great.
  - 5) while the TXWG HQ is in Nacogdoches, it is in a good location for OK, AR, LA, and Texas to use as a training center. The more we build it out, the more members can take advantage of it. Currently we can have about 180 members in our current set up. Once the two buildings are rehab'ed, each is about 3,800 sq ft and that will increase classrooms and sleeping areas to well over 300.

The requests from TXWG are for capital improvements and would not be eligible for Vanguard funds. The total of the other Wing requests comes to \$12,650. SWR will add to the wing requests so that the total request will be at least \$20,000. Col Smith will complete the final request by 8 April.

UPDATE: Col Smith submitted the following requests on 31 Mar—

Gen Myrick,

Attached are seven request forms for Vanguard funding. These forms consolidate requests from the wings and region for support of senior member training and cadet activities. We are itemizing and prioritizing the requests to assist you in your role of approving fund allocation; it will be easier for you to approve, disapprove, or partially fund various activities as you deem appropriate.

1. Support cadet summer encampment expenses for SWR's wings (\$6,700). Various wing requests differ a bit, but all are designed to lower the costs for cadet participation.
2. Face-to-face meeting of the SWR CAC at San Antonio (\$4,000). SWR has self-funded the region CAC's midyear meeting planned for Kirtland AFB in May. This request is for their end-of-year face-to-face meeting for wrapping up their term's projects.
3. Support for senior member participation in training (\$1,350). This supports senior member technical skills and professional development training at region and wing level.
4. Cadet color guard competition expenses, wing/region level (\$2,700).
5. NM Wing registration fee for 2017 Albuquerque Balloon Fiesta (\$1,750). The hot air balloon supports aerospace education (internal and external) and cadet programs. It is also a big draw for recruiting. The Albuquerque Balloon Fiesta is the largest such venue in the world and CAP's presence in the event would have a large marketing benefit.
6. OK Wing glider program support (\$2,500). Their fledgling glider program requires investment to get it fully up and running. Assistance for cadet participation cost are also factored in.
7. OK Wing NRA marksmanship program for cadets (\$1,000). A planned biannual event has in the past proven to be a big motivator for the wing's cadets.

#### **RCLS Budget Approval**

Director of Cadet Programs submitted a balanced budget for the Region Cadet Leadership School. The SWR Finance Committee voted to approve the budget.

**Next meeting 12 April 2017**