



11 August 2023

APPROVED/T. MARTIN/CAP/FM

Finance

FINANCIAL MANAGEMENT PROCEDURES

This instruction prescribes the procedures for financial management for Arkansas Wing.

1. **Finance Committee.** As part of its responsibility to develop an annual operating budget, the Arkansas Wing (ARWG) Finance Committee relies on the ARWG staff for input to develop an accurate budget as a forecasting tool. To enhance the budgeting process, the following budgetary procedures are required of the ARWG staff and project officers.

1.1. **Balanced Budget.** ARWG staff and project officers responsible for planning any ARWG activities shall prepare a zero-balanced budget, meaning expected expenses will be off-set by the expected income. Expenses requiring reimbursement to an individual should clearly indicate those items in operating budgets in order to facilitate the management of limited funds by the Arkansas Wing Commander (ARWG/CC) and the Arkansas Wing Director of Finance (ARWG/FM).

1.2. **Activities.** All ARWG sponsored activities require adherence to this budgetary policy. Such activities include cadet encampments, conferences, flight clinics, and ground academies. Even if an ARWG activity does not require expenditure of ARWG funds, a memorandum or notation in the operation plan of zero budget impact should be made and reported to the ARWG/CC and ARWG/FM. Activities requiring the expenditure of ARWG funds must be approved by the ARWG Finance Committee prior to the activity. The responsible ARWG staff or project officer should submit the activity request and associated budget information to the ARWG/CC and ARWG/FM far enough in advance to be included in the annual event planning and approval process.

1.3. **Reimbursable Expenses.** The ARWG Finance Committee may authorize reasonable expenses incurred by the activity director for ARWG activities, such as travel cost, lodging, per diem at \$35 for a full day and travel days at 75% of the full day rate, and incidental costs. *EXCEPTION: If federal grant funds are being utilized for travel, the per diem rate is the listed rate for the location travelled to as obtained from the GSA website, IAW federal grant rules in effect on the first day of travel. Vehicle fuel cost is reimbursable at the actual cost.* Expenses incurred by other staff members and students will not be reimbursed. Expenses for a special instructor may be reimbursed if the staff officer responsible for the activity determines that the special instructor is required for the enhancement of the activity.

1.4. **Credit Cards.** If an activity director has an ARWG issued credit card, the card should be used to pay for activity expenses when possible. The use of a special activity card will reduce paperwork and facilitate keeping track of paid expenses. All credit card and banking requirements, as well as all other requirements of CAPR 173-1 must be observed.

2. **Internal Controls.** Regarding invoices to be paid by the Arkansas State Military Department, the Arkansas Wing Administrator (ARWG/WA) shall review and initial all invoices prior to forwarding the invoices to the Military Department for payment. This requirement does not apply to aircraft maintenance invoices since such invoices are under the control of CAP National Headquarters, Logistics (CAP/LGM). The ARWG/WA shall consult with the ARWG/CC concerning any questions regarding the payment of invoices to be forwarded to the Military Department.

3. **Banking.** No special activity accounts shall be established unless approved by the ARWG Finance Committee. As an alternative to special activity accounts, the Finance Committee may authorize advances by other means such as pre-paid credit cards dedicated to the special activity, pursuant to CAPR 173-1, Section 6.m.

4. **Credit Cards and Credit Accounts.** The ARWG Finance Committee has authorized the use of ARWG credit cards and credit card limits for wing command and staff and for wing vehicles. The overall credit limit on the Wing's credit cards is \$25,000.00.

4.1. **Command and Staff Credit Cards.**

4.1.1. Commander	\$5,000.00
4.1.2. Director of Finance	\$500.00
4.1.3. Wing Administrator and Services Coordinator	\$2,500.00
4.1.4. Cadet Services	\$3,500.00
4.1.5. AE	\$2,000.00

4.2. **Wing Vehicles Credit Cards.** \$500.00

4.3. **Wing Aircraft Credit Cards.** \$750.00

4.4. **Authorized Expenditures.**

4.4.1. Wing credit cards are subject to the financial requirements of CAPR 173-1. Thus, each credit card expenditure in excess of \$1,500.00 requires ARWG Finance Committee prior approval pursuant to CAPR 173-1, Section 9.b. (5). Likewise, some or all recurring expenses may be charged to a wing credit card without prior ARWG Finance Committee approval if the total monthly recurring expenses do not exceed the limits set by the ARWG Finance committee pursuant to CAPR 173-1, 9.b.(5). The limits for recurring expenses for ARWG are set forth in CAPF 172, *Consolidated Finance Authorizations*, with a current limit of \$1,500.00.

4.4.2. Vehicle credit cards are assigned to each ground vehicle and may be used only for fuel. The ARWG Finance Committee has set a monthly credit limit of \$500.00 for each credit card, but the ARWG/WA may temporarily increase the limit for good cause. The administrative requirements for the use of the vehicle credit cards are included with the

credit card in each ARWG vehicle. The ARWG/WA maintains the administrative policy on the use of vehicle credit cards and will issue instructions as to their authorized use as needed.

5. **Travel.** This section requires all wings to establish in a written Financial Management Procedure a travel policy. As required, the ARWG establishes the following travel policy for ARWG members.

5.1. **Procedure.** This procedure constitutes the instructions describing the actions required for reimbursement of expenses incurred in the performance of ARWG duties as directed by the ARWG/CC in support of authorized ARWG CAP activities. The travel undertaking in support of these duties must have the prior approval of the ARWG/CC. These instructions do not change the requirements of CAP regulations concerning reimbursement of expenses properly reported on e108's and related CAP forms.

5.2. **Expenses Eligible for Reimbursement.** Reimbursement is authorized for travel, lodging, and miscellaneous expenses incurred while performing duties assigned by the ARWG/CC at a CAP activity. Reimbursement is limited to those expenses and related amounts allowed by current versions of CAPR 173-3, *Finance: PAYMENT FOR MISSION SUPPORT*, Section 1.1.4. Mission travel and per diem expenses associated with the mission. The regulation provides per diem at \$35.00 for a full day and travel days at 75% of the full day rate. *EXCEPTION: If federal grant funds are being utilized for travel, the per diem rate is the listed rate for the location travelled to as obtained from the GSA website, IAW federal grant rules in effect on the first day of travel.* Vehicle fuel cost is reimbursable at the actual cost. Copies of actual fuel receipts are required. Reimbursable commercial travel includes air fare, airport and other parking fees, baggage fees, taxes, rental car cost and other ground transportation expenses. All such fees must be reasonable and normal for the location. All ARWG members are expected to use CAP vehicles and aircraft or seek the most reasonable, economical form of commercial travel considering both time and money. ARWG members seeking exceptions from this policy should seek the prior approval of the ARWG/CC.

5.3. **Submission for Reimbursement.** Reimbursement will be provided upon submission of a request for reimbursement. Such request for reimbursement shall be submitted by completing ARWGF 173-T (copy appended hereto), supported by appropriate receipts/invoices. The appropriate payment and travel vouchers will be provided by the ARWG/WA.

5.3.1. The vouchers with supporting receipts should be submitted to the ARWG/WA, who will review the request for accuracy and completeness. The ARWG/WA will return the request to the member if it is not accurate or deficient in description and supporting documentation. ARWG follows IRS and CAP NHQ rules, regulations, and guidelines for authorized expenses and required documentation. Original receipts, as opposed to periodic credit card statements, are required. Any questions as to supporting documentation should be directed to the ARWG/WA.

5.3.2. If sufficient, the ARWG/WA will forward the request to ARWG/FM for approval. The ARWG/FM may forward the submission to the ARWG/CC for further review for good cause.

5.3.3. ARWG will process requests for reimbursement as soon as feasible to ensure that requests are paid no later than 30 days after submission of the request.

5.3.4. Members should submit requests for reimbursement within 60 days after the conclusion of the authorized activity or risk not being reimbursed.

6. **Unit Check Requests, Reimbursements to Members and Unit Deposits.**

6.1. **Unit Check Requests.** Units needing checks to be issued from their Wing Banker accounts shall complete ARWGF 173-C (copy appended hereto), listing the Payee, Payee's address and other contact information and itemizing the expenses to be paid. ARWGF 173-C must be accompanied by appropriate invoices/receipts and necessary approval for said expenses. ARWGF 173-C must be approved by the Unit Commander and one member of the Unit Finance Committee. If the check requested is to be paid to the Unit Commander, ARWGF 173-C must be approved by the Unit Deputy Commander rather than the Unit Commander. ARWGF 173-C must then be submitted to the Wing Administrator for issuance of the requested check.

6.2. **Wing Reimbursement Requests.** Members seeking reimbursement from the Wing for expenditures made on behalf of the Wing shall complete ARWGF 173-C, listing the Payee, Payee's address and other contact information and itemizing the expenditures to be reimbursed. ARWGF 173-C must be accompanied by appropriate receipts and must be approved by the Wing Commander and a Member of the Finance Committee. If the Wing Commander is the person seeking reimbursement, ARWGF 173-C must be approved by the Wing Deputy Commander rather than the Wing Commander. ARWGF 173-C must then be submitted to the Wing Administrator for issuance of the requested check.

6.3. **Unit Deposits.** Funds received by Units may either be directly deposited by the Unit or forwarded to the Wing Administrator for deposit into the Unit's Wing Banker account. Any Unit making a direct deposit must complete ARWGF 173-D (copy appended hereto), detailing each payment received, the purpose of such payment, whether the payment was made in cash or by check and the amount of the payment. Units must attach to ARWGF 173-D a copy of the bank receipt for the deposit. ARWGF 173-D must then be submitted to the Wing Administrator for recording into QuickBooks.

ROBERT ALLISON, III, Colonel, CAP
Commander

**Attachment 1
COMPLIANCE ELEMENTS**

Checklist and Tab	#	Compliance Question	How to Verify Compliance	Discrepancy Write-up	How to Clear Discrepancy
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There are no additional compliance elements for this operating instruction.