



# Financial Management

## Specialty Track Study Guide



NATIONAL HEADQUARTERS CIVIL AIR PATROL  
Maxwell Air Force Base, Alabama

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## Preface

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This pamphlet will prepare members for the responsibilities of a Civil Air Patrol (CAP) Financial Manager (FM). The contents of this pamphlet apply to all levels, including squadron and group Finance Officers in addition to wing and region Directors of Finance.

This specialty track study guide has three sections. The first section applies to achievement of the Technician rating, the second section is related to attaining the Senior rating, and the third section deals with the skills required for the Master rating. This progression should prepare members for positions of increasing responsibility as a financial manager.

Study each section and apply the information to actual situations on the job. If possible, the unit will assign an on-the-job (OJT) supervisor to assist members through the process. If the unit cannot assign an OJT supervisor, the member must learn the job through self-study and performance. The Region FM should be actively involved in the training of Wing Directors of Finance, whenever possible, either as the OJT supervisor or as a mentor during self-study. The wing Director of Finance should assist in the training of group and unit FMs.

The member and OJT supervisor will determine the level of competence at each level. When the member reaches the desired level of competency for the completion of a level, the unit commander will then certify proficiency in the member's personnel records and with National Headquarters through eServices. After the unit commander's certification of a Technician, Senior, or Master rating, the member may wear the Leadership Ribbon (Technician rating) with bronze (Senior rating) or silver (Master rating) star. Completion of each rating is a requirement for promotion. Complete promotion criteria is listed in CAPR 35-5, *CAP Officer and Noncommissioned Officer Appointments and Promotions*, and CAPR 50-17, *CAP Senior Member Professional Development Program*.

The FM specialty also has a badge. Upon earning the Technician rating, a senior member is qualified to wear the FM Technician badge. There are separate badges for the Senior and Master ratings. Refer to CAPR 39-3, *Award of CAP Medals, Ribbons, and Certificates*, for additional information.

This specialty track is governed by CAP 173 series regulations. Feedback on the contents of this study guide should be directed to CAP National Headquarters Financial Management (NHQ/FM), [fm@capnhq.gov](mailto:fm@capnhq.gov).

Financial management is one of the most important duties in Civil Air Patrol. Understanding the intricacies of your job as an FM at each level will prepare you to advance to more complex duties. Federal requirements change constantly so it is important that you stay up-to-date on any new requirements by visiting the Financial Management section of the NHQ website.

## **Training Objectives**

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Each level contains Knowledge, Training, and Performance Requirements as well as Service Requirements that must be completed in order to attain each successive rating.

### ***Knowledge, Training, and Performance Requirements***

These requirements are derived from self-study, on-the-job training (OJT) experiences, and agreement with your assigned OJT supervisor. Knowledge requirements are evaluated with a written examination. The exams are online and open book with no time limit. The passing score for these tests is 80%. Questions missed on the test will be displayed on your computer. The online tests are found on CAPs website, [www.capmembers.com](http://www.capmembers.com). Go to CAP University; click on Online Courses & Exams and find the CAPP 202 Specialty Track exams under Specialty Track Tests. If students are not successful in passing the exam the system will not allow a retake for 7 days after the last attempt.

### ***Service Requirements***

These requirements are objectives describing what each student is expected to complete through active participation as a financial manager.

## **Guidance for On-the-Job Training (OJT) Supervisors and Unit Commanders**

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The OJT supervisor plays an important role in the success of the FM in training. These senior member officers, in partnership with the unit's commander, guide the student through the knowledge, training, performance, and service requirements for the rating the student is pursuing.

Once the OJT supervisor or the wing FM is satisfied that the student has

met all the requirements for the rating, they and the student notify the unit commander.

When the commander is satisfied that the student can perform to the level applied for and has met the service requirements, they record award of the rating in the student's master record and notify National Headquarters of the rating award through eServices.

## Achieving the Technician Rating

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### *Position Description*

The Financial Manager (FM) at the Technician level is expected to:

- Successfully manage the unit Finance program
- Ensure internal accounting controls are adequate
- Monitor unit funds to ensure sufficient monies are available to meet unit expenses
- Forward copies of deposit slips and backup deposit information to wing HQ within 7 days of the deposit
- Ensure that unit receivables, including member flying, are collected in a timely manner
- Verify that all expense transactions are approved properly
- Verify that income and expenses recorded at wing HQ are accurate and resolve any discrepancies
- Verify required unit financial management forms are complete, current and forwarded to wing HQ in accordance with established guidelines
- Maintain a current list of approvers with signatures and forward to wing HQ
- Ensure the unit commander signs and returns to wing HQ the annual Financial Disclosure Statement by 1 November
- Determine whether meeting facilities are contributed facilities or fixed assets and complete the annual worksheet for the national audit
- Ensure fundraising activities are approved properly, accurately accounted for and reports are filed with wing HQ
- Serve as a member of the unit finance committee
- Make sure the finance committee meets at least quarterly and minutes are recorded documenting necessary expense approvals over the current limit
- Assist the finance committee in developing and maintaining a balanced budget and forward to wing HQ annually
- Provide copies of reports received from wing HQ to the finance committee in a timely manner
- Other FM related duties as required

## Knowledge, Training, and Performance Requirements

### Publications You Should Read

Certain publications should be read by all CAP members. Others apply directly to the financial manager. FMs should be familiar with those publications that have high relevance for all CAP members, and should know those publications that are critical to the Financial Management program. For this reason, Civil Air Patrol National Headquarters provides this list of publications and directives for the new Financial Manager to study and learn. Publications listed in bold are critical for your role as an FM.

Number	Title	Notes
CAP Index 0-2	<i>Numerical Index of CAP Regulations, Manuals, Pamphlets, and Visual Aids</i>	
CAP Index 0-9	<i>Numerical Index of CAP Forms, Test Materials, and Certificates</i>	
<b>CAPR 1-1</b>	<b><i>Ethics Policy</i></b>	<b>Primary publication regarding FM</b>
CAPR 5-4	<i>Publications and Forms Management</i>	
CAPR 10-1	<i>Preparing Official Correspondence</i>	
CAPR 10-2	<i>Files Maintenance and Records Disposition</i>	
CAPR 35-1	<i>Assignment and Duty Status</i>	
CAPR 35-5	<i>CAP Officer and Noncommissioned Officer Appointments and Promotions</i>	
CAPR 39-3	<i>Award of CAP Medals, Ribbons, and Certificates</i>	
<b>CAPR 70-1</b>	<b><i>CAP Acquisition Regulation</i></b>	<b>Primary publication regarding FM</b>
<b>CAPR 173-1</b>	<b><i>Financial Procedures and Accounting</i></b>	<b>Primary publication regarding FM</b>
<b>CAPR 173-3</b>	<b><i>Payment for Civil Air Patrol Support</i></b>	<b>Primary publication regarding FM</b>
<b>CAPR 173-4</b>	<b><i>Fund Raising/Donations</i></b>	<b>Primary publication regarding FM</b>
CAPR 174-1	<i>Property Management and Accountability</i>	
<b>CAPP 202</b>	<b>Specialty Track Study Guide – Financial Management</b>	<b>Primary publication regarding FM</b>

## **Other Publications**

Individual wings publish financial management procedures detailing their financial processes. The new FM should read through these local directives before progressing through this level of the specialty track. NHQ also maintains a separate Financial Management section on their web page. Access the FM section by selecting CAP National HQ from [www.capmembers.com](http://www.capmembers.com) and then selecting Financial Management. The FM Manual is also available online from this section.

## **Accounting Information**

Financial Managers must assist the commander and finance committee in support of all CAP missions. In order to assist the unit, the FM will contribute by helping develop sound financial management practices and oversight of all unit assets. Fundamental knowledge of the following is essential:

- Duties and tasks associated with CAP's squadron, group, wing and region FM positions
- Basic accounting terms and procedures
- Appropriate internal controls
- Committee meeting procedures
- Basic budgeting
- CAP-specific accounting procedures
- Fundraising rules and reporting requirements
- CAP Chart of Accounts

## **Training and Performance Requirements**

To complete the Technician rating in the financial management specialty track, the member must:

- Verify all required finance committee meetings are documented and all internal controls are adequate
- Correctly explain the responsibilities of the unit FM in accordance with CAPR 173-1
- Correctly explain the responsibilities of the unit finance committee in accordance with CAPR 173-1
- Correctly describe the steps in the fundraising process in accordance with CAPR 173-1 and CAPR 173-4
- Correctly describe the steps necessary to complete an expense reimbursement request in accordance with CAPR 173-1
- Identify which documents must be forwarded to wing HQ and the timeline associated with their submission



- Actively participate in at least two unit finance committee meetings. Make sure minutes of the meeting are recorded and filed appropriately.
- Develop an annual budget
- Correctly make at least two deposits in a timely manner
- Correctly make at least two expense reimbursement requests in a timely manner
- Verify and update, as necessary, the list of current approvers with signatures and forward the necessary documents to wing HQ
- Ensure that all reports required by wing HQ have been filed and are correct
- Read all the publications listed above and be able to clearly explain the policies and procedures in the publications marked “primary publications regarding FM” and all wing and local FM directives
- Assist the unit FM by reviewing reports of cash activity received from wing HQ to ensure all unit transactions are recorded properly. Be able to explain any and all reports on request.
- Successfully serve for a minimum of 6 months as an assistant unit FM or as the unit FM
- Successfully complete the online CAPP 202 Test for Technician Rating

## Technician Level Training Checklist

To complete the Technician level of the financial management specialty track, the member must:

Knowledge, Training, and Performance Requirements	OJT Initials and Date
Verify all required finance committee meetings are documented and all internal controls are adequate	
Correctly explain the responsibilities of the unit FM in accordance with (IAW) CAPR 173-1	
Correctly explain the responsibilities of the unit finance committee IAW with CAPR 173-1	
Correctly describe the steps in the fundraising process IAW with CAPR 173-1 and CAPR 173-4	
Correctly describe the steps necessary to complete an expense reimbursement request IAW with CAPR 173-1	
Identify which documents must be forwarded to Wing HQ and the timeline associated with their submission	
Actively participate in at least two finance committee meetings as specified on page 9	
Develop an annual budget	
Correctly make at least two deposits and two expense reimbursement requests in a timely manner	
Verify and update, as necessary, the list of current approvers with signatures and forward documents to wing HQ	
Ensure that all reports required by the wing HQ have been filed and are correct	
Read the FM-related publications as outlined on page 9 and as listed on page 7	
Assist the unit FM by reviewing reports of cash activity received from wing HQ to ensure all transactions are recorded properly. Explain any and all reports on request.	
Complete 6 months of experience as a financial manager. Dates of Service _____ to _____	
Successfully complete online CAPP 202 Test for Technician Rating	

Candidate's Name \_\_\_\_\_  
(Last, First, M.I.)

CAP Grade \_\_\_\_\_ CAPID \_\_\_\_\_ Unit Charter No. \_\_\_\_\_

\_\_\_\_\_  
Commander's Signature

\_\_\_\_\_  
Date

## Achieving the Senior Rating

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### ***Position Description***

The Financial Manager (FM) at the Senior level is expected to:

- Successfully manage the unit financial management program
- Maintain adequate internal accounting financial controls
- Ensure all check requests are approved properly, annotated and that all detailed receipts are attached before submission to wing HQ in accordance with established procedures
- Make bank deposits, providing a copy of the deposit slip along with an accurate classification of income to wing HQ within 7 days of the deposit
- Review reports of cash activity received from wing HQ to ensure all unit transactions are properly recorded and resolve any discrepancies
- Ensure all Wing-required documentation is current
- Report all fixed asset acquisitions to wing HQ
- Ensure all fundraising activities are approved properly and accurately account for fundraising proceeds, sending final reports to wing HQ
- Maintain all finance committee meeting minutes
- Develop an annual budget for presentation to the finance committee and keep it balanced through the year
- Discuss financial reports and the annual budget with the finance committee, recommending necessary adjustments
- Obtain a basic knowledge of wing-level accounting procedures
- Other FM related duties as required

### ***Knowledge, Training, and Performance Requirements***

#### **Key Accounting Information for Attaining the Senior Level**

To achieve the Senior rating, the member must understand the duties and tasks associated with CAP's squadron, group and wing financial management positions. An understanding of the interaction among the various levels is essential. The member must be prepared to operate as a supervisor at units below wing level and as an assistant at the wing level. The financial management Senior rating candidate should possess an intermediate knowledge of the following:

- Relationship among CAP squadron, group, wing and region FM positions and their duties

- Accounting terms and procedures
- Unit financial management processes
- Budget development
- Interpretation of financial reports
- Reporting and documentation requirements
- Planning, management and documentation of fundraising activities
- Wing-level accounting procedures

### **Training and Performance Requirements**

To complete the Senior rating in the financial management specialty track, the member must:

- Verify all required finance committee meetings are documented and all internal controls are adequate
- Correctly describe your unit's accounting processes. Include the processes necessary to ensure unit funds are accurately recorded at wing.
- Correctly describe your unit's financial standing based on reports received from wing HQ
- Compare your unit's financial statements received from wing HQ with the annual budget. Provide suggest areas where adjustments may be necessary and why.
- Correctly describe the differences between a unit financial management program and a wing financial management program
- Correctly describe accounts receivables and accounts payables and the difference between cash and accrual accounting
- Correctly describe internal financial controls and how they help your unit maintain their financial management program
- Correctly describe the fiduciary duty of the FM, the commander and the finance committee
- Collect all accounts receivables in a timely manner
- Correctly and independently make at least six transactions in a timely manner since obtaining the Technician rating
- Ensure that all fundraising activities are approved properly, accurately account for fundraising proceeds and send final reports to wing HQ
- Successfully serve for a minimum of 12 months in a unit FM position or higher at the Technician level
- Successfully complete the online CAPP 202 Test for Senior Rating

# Senior Level Training Checklist

To complete the Senior level of the financial management specialty track, the member must:

Knowledge, Training, and Performance Requirements	OJT Initials and Date
Verify all required finance committee meetings are documented and all internal controls are adequate	
Correctly describe your unit's accounting processes. Include the processes necessary to ensure unit funds are accurately recorded at wing.	
Correctly describe your unit's financial standing based on current wing reports	
Compare your unit's financial statements with your unit's annual budget. Suggest areas where adjustments may be necessary and why.	
Correctly describe the differences between a unit financial management program and a wing financial management program	
Correctly describe accounts receivables and accounts payables. Describe the difference between cash and accrual accounting.	
Correctly describe your unit's internal financial controls and how they help maintain accurate accountability of assets	
Correctly explain fiduciary duty as it relates to your current FM position, as well as the commander's and the finance committee's fiduciary duties	
Collect all accounts receivables in a timely manner	
Correctly and independently make at least six transactions in a timely manner since obtaining the Technician rating	
Ensure that all fundraising activities are approved properly, accurately account for fundraising proceeds and send final reports to wing HQ	
Complete 12 months of experience as a financial manager at the Technician level. Dates of Service _____ to _____	
Successfully complete online CAPP 202 Test for Senior Rating.	

Candidate's Name \_\_\_\_\_  
(Last, First, M.I.)

CAP Grade \_\_\_\_\_ CAPID \_\_\_\_\_ Unit Charter No. \_\_\_\_\_

\_\_\_\_\_  
Commander's Signature

\_\_\_\_\_  
Date

## Achieving the Master Rating

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### *Position Description*

The Financial Manager (FM) at the Master level is expected to:

- Implement or assist in the implementation of FM programs at the wing or region level
- Demonstrate extensive knowledge of CAP's FM materials and programs
- Execute or assist in the execution of wing or region FM processes and programs
- Manage financial reporting and documentation requirements
- Develop budgeting strategy
- Understand intercompany relationships and accounting procedures
- Perform advanced accounting procedures using NHQ- approved software
- Monitor and assist subordinate unit FMs
- Assist with Subordinate Unit Inspections
- Attend and contribute to FM training and activities at unit, wing and region levels
- Other FM related duties as required

### *Knowledge, Training, and Performance Requirements*

#### **Key Information for Attaining the Master Level**

At the Master level the FM job involves managing and directing all finance-related activities at the wing or region level. Master FMs must possess advanced knowledge of the following:

- Wing/Region financial management programs
- Accounting processes using NHQ- approved software
- Wing Administrator functions
- Budgeting using NHQ- approved software
- Reporting and documentation requirements at all levels
- Use of NHQ- approved, web-based software and programs
- Subordinate unit accounting processes
- Report generation and interpretation using NHQ- approved software
- WMIRS (Web Mission Information Reporting System)

- IRS requirements concerning CAP
- Fundraising requirements

## **Training and Performance Requirements**

To complete the Master rating in the financial manager specialty track, the member must:

- Correctly discuss how intercompany transactions affect the annual audit and financial statements for the CAP corporation
- Correctly describe current FM software utilities and their operations as well as how these tools assist the wing/region in managing their financial program
- Accurately discuss how the wing/region budget assists the finance committee in the management of the wing/region financial program
- Correctly describe the financial duties of the wing administrator, if applicable, and the checks and balances necessary to ensure accurate recording of financial transactions
- Accurately summarize the wing/region oversight program of subordinate units and how the wing/region ensures their financial transactions are recorded accurately
- Assist in the development of the annual wing/region budget and enter the final budget online using NHQ- approved software
- Contribute in the review or development of wing/region financial management processes using CAP forms
- Prepare and discuss NHQ- approved, software-generated financial reports with the finance committee and the units
- Perform bank account reconciliations and ensure all required documentation is uploaded to the NHQ- approved electronic filing system
- Review transactions entered and ensure all checks are accounted for correctly using reporting tools in NHQ- approved software. Ensure all required approvals are obtained, including those required to be approved using NHQ- approved electronic means.
- Ensure payments for member flying and all other accounts receivables are collected in a timely manner
- Assist with at least 1 SUI or CI as an inspection team member evaluating a unit or wing FM program
- Review expense documentation to ensure all transactions are approved correctly and all required backup documentation is attached, including necessary receipts, and uploaded to the NHQ- approved electronic filing system

- Verify all quarterly reviews are completed on time, all required finance committee meetings are documented and all internal controls are adequate
- Verify that business meals and entertainment requirements are being followed
- Ensure all fundraising, including raffles, complies with IRS requirements and CAP guidelines
- Monitor subordinate units to ensure they are complying with regulatory requirements
- Mentor a senior member through successful completion of a financial management Technician or Senior rating
- Correctly and independently make at least twelve transactions in a timely manner since obtaining the Senior rating
- Maintain at least a satisfactory rating on your previous WFA visit report
- Serve for at least 24 months as a financial manager or assistant at the wing level or higher with a Senior rating
- Successfully complete the online CAPP 202 Test for Master Rating



## Master Level Training Checklist

To complete the Master level of the financial management specialty track, the member must (Region-level Candidates should substitute Region where applicable):

Knowledge, Training, and Performance Requirements	OJT Initials and Date
Correctly discuss how intercompany transactions affect the annual audit and financial statements for the CAP corporation	
Correctly describe current FM software utilities and their operations as well as how these tools assist the wing in managing their financial program	
Accurately discuss how the wing's budget assists the finance committee in the management of the wing financial program	
Correctly describe the financial duties of the wing administrator, if applicable, and the checks and balances necessary to ensure accurate recording of financial transactions	
Accurately summarize the wing's oversight program of subordinate units and how the wing ensures their financial transactions are recorded accurately	
Assist in the development of the annual wing/region budget and enter the final budget using NHQ- approved software	
Contribute in the review or development of wing/region financial management processes using CAP forms	
Prepare and discuss NHQ- approved, software-generated financial reports with the finance committee and the units	
Perform bank account reconciliations and ensure all required documentation is uploaded to the NHQ- approved electronic filing system	
Review transactions entered and ensure all checks are accounted for correctly using reporting tools in NHQ- approved software. Ensure all required approvals are obtained, including those required to be approved using NHQ- approved electronic means.	
Ensure payments for member flying and all other accounts receivables are collected in a timely manner	
Assist with at least 1 SUI or CI as an inspection team member evaluating a unit or wing FM program	
Review expense documentation to ensure all transactions are approved correctly and all required backup documentation is attached, including necessary receipts, and uploaded to the NHQ- approved electronic filing system	
Verify all quarterly reviews are completed on time, all required finance committee meetings are documented and all internal controls are adequate	
Verify that business meals and entertainment requirements are being followed	
Ensure all fundraising, including raffles, complies with IRS requirements and CAP guidelines	
Monitor subordinate units to ensure they are complying with regulatory requirements	
Mentor a senior member through successful completion of a financial management Technician or Senior rating	

Maintain at least a satisfactory rating on your previous WFA visit report	
Correctly and independently make at least twelve transactions in a timely manner since obtaining the Senior rating	
Maintain at least a satisfactory rating on your previous WFA report	
Complete 24 months of experience as a financial manager at the Senior level. Dates of Service _____ to _____	
Successfully complete online CAPP 202 Test for Master Rating	

Candidate's Name \_\_\_\_\_  
(Last, First, M.I.)

CAP Grade \_\_\_\_\_ CAPID \_\_\_\_\_ Unit Charter No. \_\_\_\_\_

\_\_\_\_\_  
Commander's Signature

\_\_\_\_\_  
Date

**SEND THIS COMPLETED CHECKLIST TO CIVIL AIR PATROL NHQ/FM, 105 S. HANSELL ST, BLDG 714, MAXWELL AFB, AL 36112-6332 SO THAT A MASTER FM CERTIFICATE MAY BE SENT TO THE SUCCESSFUL CANDIDATE. THIS CHECKLIST IS REQUIRED TO BE SENT TO NHQ FOR A CERTIFICATE DOCUMENTING THE 202 MASTER RATING.**