



KENTUCKY WING SUPPLEMENT 1
CAP REGULATION 173-1
26 OCTOBER 2020
APPROVED/L.CAMPBELL/CAP/FM
Financial Management
FINANCIAL MANAGEMENT PROCEDURES

CAP Regulation 173-1, ICL 17-02, dated 15 March 2017, is supplemented as follows:

Paragraph 13a. (Added). Pilots flying KY Wing assigned CAP aircraft, or KY Wing pilots flying other CAP aircraft, will use KYWGF 1731.10 (Fueling Instructions and Pilot-funded Flight Cost Calculator) to determine how to make payment for the flight, and how to calculate cost for pilots on pilot-funded flights.

Paragraph 17a. (Added). Units below Wing level will submit all deposits to the FM or WA using KYWGF 1731.5. Units below Wing level will not make deposits directly to any account.

Paragraph 17b. (Added). Advances for activities may be requested using KYWGF 1731.7.

Paragraph 20a(1). (Added). Kentucky Wing staff members authorized to hold VISA credit cards, along with associated credit limits, are listed on the most current CAPF 172 approved by the Kentucky Wing Finance Committee via Sertifi. Please contact the Wing Administrator or Wing Director of Finance for the most current version of this form.

Paragraph 20b(1). (Added). Kentucky Wing uses credit cards to facilitate mission accomplishment. All users must be approved by KYWG/CC. Request for authorization to use a credit account must be submitted using the KYWGF 1731.1. Once a user is approved, the KY WA issues cards and personal Identity numbers (PIN) for users. The WA and KYWG/FM monitor cards for appropriate use and compliance with reporting procedures.

Paragraph 20b(2). (Added). SuperFleet Cards.

Paragraph 20b(2)(a). (Added). The Speedway SuperFleet fuel card is to be used only for official business activities and missions sponsored (funded) by KYWG in support of CAP programs. Using the card for personal any other purpose may result in administrative action, up to and including membership termination, and may include billing the PIN holder for fuel linked to that individual PIN. The card is for FUEL ONLY (use the Shell card for oil). The card should NOT be used for CAPNHQ missions or personal travel (The Shell card should be used for CAPNHQ assigned missions and CAPNHQ-sponsored special events).

Paragraph 20b(2)(b). (Added). Expenses placed on the Speedway SuperFleet card will be deducted from the users' squadron/group/wing account. Vehicle operators assigned to group/wing staff who use a vehicle assigned to a unit should annotate the receipt to indicate if it is a unit expense or a group, wing, or program expense (cadet programs, aerospace education, operations, com, etc. . . .

Paragraph 20b(2)(c). (Added). The Speedway SuperFleet fuel card can be used at any Speedway service center, Pilot service center, and Marathon service station. It may also be used at any fuel station accepting Master Card. The Wing Administrator should be notified and sent a copy of the fuel receipt as soon as possible if a transaction occurs at a location other than those which accept the SuperFleet card. Fuel purchased at locations other than those accepting the SuperFleet card could result in the driver or driver's unit being billed for the resulting charge.

Paragraph 20b(2)(d). (Added). Cards are assigned to a specific vehicle. Do not mix or interchanged them.

Paragraph 20b(2)(e). (Added). Users must be entered into the SuperFleet system by the wing administrator. Once entered, a PIN will be generated in the system, and the member will be notified that he or she is able to use the card. The wing administrator will advise users of their assigned PIN.

Paragraph 20b(2)(f). (Added). Members with a corporate driver's license may apply for a Super Fleet Driver ID number by submitting a physically signed KYWGF 1731.1 through their unit commander to the WA. In the absence of the WA, applications may be submitted to the Wing Director of Finance. Applications will be forwarded by the Wing Administrator or Director of Finance to the Wing Commander for review and final approval via Sertifi. Electronic signatures other than through Sertifi are not authorized for this document, but signed and scanned documentation is acceptable. Driver ID numbers may be revoked at the discretion of KYWG/CC.

Paragraph 20b(2)(g). (Added). Non-mission use of the SuperFleet card requires pre-approval by the Wing Commander for each instance of use. Administrative coordination with the Wing Administrator, indicating source of funds for fuel payment, must occur in advance of the use of the card. In the absence of the Wing Administrator, coordination should occur with the Wing Director of Finance.

Paragraph 20b(2)(h). (Added). The Wing Administrator is the POC for the fleet card program. In the absence of the Wing Administrator, the POC shall be the Wing Director of Finance.

Paragraph 20b(3). (Added). NHQ Shell MasterCard. The NHQ Shell MasterCard is authorized for mission fuel for corporate vehicles and aircraft and corporate vehicle maintenance expenses only. No other uses for these cards are authorized. For procedures regarding mission fuel expenses, please see KYWG Sup1 to CAPR 173-3. Procedures for vehicle maintenance charges may be found in Paragraph 20b(5).

Paragraph 20b(4). (Added). Procedures for Vehicle Maintenance Credit Card Management. Each vehicle within the Wing will be provided a NHQ Shell MasterCard to be used for minor maintenance (under \$500) at locations which accept MasterCard. Each card will be numbered with the vehicle number. The limit on the card is \$1000, however transactions exceeding \$500 must be approved beforehand; contact the Wing Transportation Officer (KYWG/LGT) to obtain the required permissions. Emergency off-site repairs exceeding \$500 may be authorized by KYWG/LGT, who will coordinate with NHQ/LGT in order to temporarily increase the credit card limit; also refer to procedures found in KYWG Supplement 1 to CAPR 77-1.

Paragraph 20b(4)(a). (Added). The Wing Transportation Officer must be notified before maintenance charges over \$500 are incurred. In the event of emergency road service being required, the card is authorized to be used without preapproval, but the Wing Transportation Officer must be contacted as soon as possible in accordance with procedures listed in CAPR 77-1 Paragraph 3-3. The transaction limit on each card is \$500 in the event of required emergency road service; additional repairs will be coordinated with KYWG/LGT and NHQ/LGT as noted in paragraph 20b(5) of this supplement.

Paragraph 20b(4)(b). (Added). The vehicle maintenance card may not be used for any type of expenditure except authorized charges, even if the intent of the individual is to repay the organization.

Paragraph 20b(4)(c). (Added). When a payment transaction is processed, the member may be prompted for their Driver ID (PIN) as well as the vehicle mileage. The PIN for the card shall be the first four numbers of the vehicle number. For example, for vehicle 12074, the PIN shall be 1207. If prompted for the zip code, enter 36112 (zip code for NHQ).

Paragraph 20b(4)(d). (Added). Detailed invoices must be submitted to both the Wing Transportation Officer and the Wing Administrator after the maintenance has been completed. Cash register receipts showing the amount charged are not sufficient; a detailed, itemized invoice must be provided.

Paragraph 20b(4)(e). (Added). Credit cards are CAP vehicle specific and must not be used for any other vehicle.

Paragraph 20b(4)(f). (Added). It is the responsibility of the purchaser to ensure that the invoice is correct as to the amount billed and that the Wing Transportation Officer has been notified of the expense.

Paragraph 20b(5)(a). (Added). Procedures for Financial Management. The Wing Administrator is responsible for ensuring all documentation has been collected from subordinate units prior to submission to National Headquarters. In the absence of the Wing Administrator, the Wing Transportation Officer shall assume this responsibility.

Paragraph 20b(5)(b). (Added). Cards may be revoked by Financial Management at National Headquarters if cards are used for unauthorized purchases or proper documentation is not submitted in a timely manner.

Paragraph 20b(5)(c). (Added). Kentucky Wing may draft back funds from units which make unauthorized purchases or fail to submit proper documentation to support the expense in a timely manner.

Paragraph 20b(6). (Added). Corporate VISA Cards. VISA credit cards may be used to pay for expenditures directly related to those activities within the members' scope of duty. In particular, management of the Wing vehicle maintenance program will primarily occur through the use of the NHQ Shell MasterCard. The aggregate balance on each account at any one time may not exceed the credit limit as shown on the most current CAPF 172. Purchases over \$1,500 continue to require Finance Committee preapproval

Paragraph 20b(6)(a). (Added). Every use of Kentucky Wing VISA credit cards will be documented and reported to the Kentucky Wing Director of Finance. Receipts (scanned or original) must be returned on a monthly basis. Receipts in their original format shall not be photocopies or include handwritten totals.

Paragraph 20b(7). (Added). Lost or Stolen Cards. Any Kentucky Wing or NHQ-issued credit card which is lost or stolen shall be reported immediately to the credit card issuer, the Kentucky Wing Commander, and the Kentucky Wing Director of Finance.

Paragraph 20c(1). (Added). Proper completion of mission financial documents is necessary for reimbursement. Failure to properly document reimbursable mission expenses places a burden on the wing since CAPNHQ will not reimburse expenses unless ALL required information, including receipts, is submitted. All credit transactions must be supported by complete and detailed documentation. For each credit purchase, the purchaser must complete KYWGF 1731.2 and attach the receipt (only one receipt per form). Each receipt must be accompanied by a single KYWGF 1731.2. If KYWGF 1731.2 is not available, all information required by the form must be legibly and clearly printed on the receipt. KYWGF 1731.2 should then be completed as the physical receipt is turned in. This does not replace or release the member from requirements of CAPR 173-1, which must also be complied with.

Paragraph 20c(2). (Added). Send receipts to the WA as soon as possible, but no later than 10 days after the purchase. Receipts are matched to Credit card statements every month.

Paragraph 20c(3). (Added). Failure to properly document and submit credit purchases may result in loss of privileges to use the credit card. The KYWG WA will notify users when documentation is missing. The user will have 5 days to provide the required documentation. Members who do not provide the documentation after notification will be referred to the KYWG/FM who may recommend that all mission privileges be suspended until the discrepancy is corrected. Final resolution rests with the KYWG/CC. This does not replace or release the member from requirements of CAPR 173-1, which must also be complied with.

Paragraph 20c(4). (Added). All personal reimbursement requests must be submitted using KYWGF 1731.6 within 60 days of incurring an expense or receiving an invoice. Requests for personal reimbursement presented after 60 days cannot be honored.

Paragraph 24a. (Added). Kentucky Wing travel should be undertaken when the benefits of the trip will serve to execute or improve Civil Air Patrol programs and services. KY WG will pay for member travel incurred in pursuit of CAP goals, when authorized by wing or requested by National Headquarters. Members are expected to observe CAP regulations, policies, and procedures when reporting expenses related to travel. Member wishing to travel more than 20 miles outside the Commonwealth of Kentucky must request authorization using KYWGF 1731.8.

Paragraph 24b. (Added). Travel Guidelines:

Paragraph 24b(1). (Added). Wing members should be forward thinking in looking for the best return on investment. This supplement is intended to provide guidelines for wing members ensure, effective use of time and to minimize expenses. While this policy strives to be comprehensive, it is impossible to anticipate every situation encountered by a traveling member. The member should be aware of the right of wing staff to review claims and should therefore maintain sufficient records to validate expenses incurred.

Paragraph 24b(2). (Added). Because of the time and expense involved, travel should be undertaken only when personal contact is necessary to conduct the required mission or purpose

and when no other form of communications may be substituted. Should travel be necessary, it is the member's responsibility, to obtain pre-approval for expenses, within the requisite time frame, prior to committing to the expense, to keep the costs associated with the trip to a reasonable minimum.

Paragraph 24b(3). (Added). Airline, hotel, and rental car reservations should be made using the lowest rate available. Lodging rates for Board of Governors, Command Council, National Council, and wing conferences will be reimbursed at the conference or host hotel rate, providing proper pre-approval has been secured within the requisite time frame. If lodging is obtained outside the conference or host hotel established for the event, reimbursement will be for actual expense or the event rate, whichever is lower.

Paragraph 24b(4). (Added). Members on wing business travel are official representatives of the Civil Air Patrol and the Kentucky Wing, and it is expected that their public behavior at all times, will project an image that is a credit to the organization.

Paragraph 24c. (Added). Reimbursement of member expenses.

Paragraph 24c(1). (Added). Acceptable expenses include, but are not limited to, lodging, air transportation, meals, vehicle fuel, taxi fare or car rentals, and purpose-related telephone calls. All receipts mentioned below must be itemized and detailed. Credit card payment slips without itemizing and detailing items purchased will not be accepted. Meal receipts, of any type, must detail all food items which were purchased. All receipts must be turned into Wing Finance.

Paragraph 24c(2). (Added). To be reimbursed, member cost for travel, fuel, etc. must be reasonable and in accordance with CAP regulations and wing policies. The general criteria for a reimbursable expense are:

Paragraph 24c(2)(a). (Added). Reasonableness of the expense, and

Paragraph 24c(2)(b). (Added). Wing-related business purpose

Paragraph 24a(2)(c). (Added). Acquire pre-approval for total expenses of \$500 or more.

Paragraph 24d. (Added). KYWG Form 1731.9 expense report:

Paragraph 24d(1). (Added). KYWGF 1731.9 will be used to document travel and request reimbursement. The travel form should be filed within 30 days after the completion of the travel. Only reasonable wing-related expenses may be reimbursed. All required receipts for reimbursed expenses should be attached to the form. The traveling member should sign the travel form verifying validity, and an appointed member should also sign in order to authorize reimbursement. Business expenses involving Meals, must be documented on a **CAPF 170** as directed by CAPR 173-1. The CAPF 170 must be attached with request for reimbursement.

Paragraph 24d(2). (Added). Requests for reimbursements will be rejected if all supporting documentation does not accompany the request.

Paragraph 24d(2)(a). (Added). The Wing Administrator will notify the member, in writing, of any missing documentation. Notice may be by electronic mail or US Postal Service. The

request may be reconsidered if the required documentation is provided by the member.

Paragraph 24d(2)(b). (Added). The member must respond within 21 days by submitting the requested documentation. Letters, affidavits or other written documents may not substitute for required receipts.

Paragraph 24d(2)(c). (Added). NO REQUEST FOR PERSONAL REIMBURSEMENT MAY BE HONORED AFTER 60 DAYS FROM THE DATE THE EXPENSE OCCURRED. This is true even if there is an ongoing effort to find required documents.

Paragraph 24e. (Added). Travel expenses. The wing may reimburse reasonable expenses for members authorized to travel. Members must retain and attach receipts for all travel related to expenditures regardless of dollar value. These receipts must be attached to the wing travel form (KYWGF 1731.9) for reimbursement and submitted with a request for reimbursement.

Paragraph 24f. (Added). Air travel:

Paragraph 24f(1). (Added). When a wing aircraft may not be used for travel and air travel is required, all airline reservations and ticket purchases will be made by the member's personal credit card or the wing credit card. Written approval must be obtained by the finance committee for air travel. Non-refundable tickets are to be used for the ticketed flight. In the event the member's itinerary changed prior to departure and a change fee is charged, the wing will reimburse the change fee only with written authorization from a member of the finance committee.

Paragraph 24f(2). (Added). Flights should be booked as far as advance as possible to obtain advance purchase prices on tickets. Air fare will be reimbursed to members by submitting wing travel form with a copy of the payment document.

Paragraph 24f(3). (Added). Members are encouraged to economize on airport parking where practicable. Cost saving measures should include parking in longer-term lots for trips. All parking expenditures should be itemized on the wing travel form and receipts should be attached.

Paragraph 24f(4). (Added). When making reservations, members should accept the lowest fare in the market place without regard to the airline providing the service. For purposes of obtaining the best fare possible, the member should be reasonable flexible regarding flights times. Every attempt should be made to take advantage of reduced rates.

Paragraph 24f(5). (Added). Coach class (or lowest available) should be used by all members. Business and first class fares are not authorized.

Paragraph 24f(6). (Added). Unused non-refundable tickets are to be applied to future tickets. Members are reminded of their responsibility to reschedule non-refundable tickets in order not to lose the value of the scheduled airfare when a trip is cancelled.

Paragraph 24g. (Added). Private aircraft. Private aircraft expenses may be paid if the pilot has the Wing Commander's approval along with a copy of the appropriate, current pilot certificate

and proof of insurance. Reimbursement may be made on the cost of the fuel to the same destination.

Paragraph 24h. (Added). Ground transportation:

Paragraph 24h(1). (Added). Members are encouraged to rely on taxis, metro/subways, hotel courtesy vans, or CAP wing vehicles for transportation during wing-related travel. If a rental car is required, members will select the lowest cost rental vehicles that meet purpose requirements. Members should retain receipts for this along with any fuel purchased for the rented vehicle. Luxury size sedans or SUV's are not allowable without prior approval of the finance committee. It is acceptable to receive free upgrades from car rental agencies when offered to compensate for unavailability of reserved model.

Paragraph 24h(2). (Added). The wing may reimburse fuel for members who use a personal vehicle for travel. Tolls and parking charges may also be reimbursed for both personal and rented vehicles. Members are responsible for other expenses incurred while driving their personal vehicles, including moving traffic violations and parking tickets.

Paragraph 24h(3). (Added). Corporate vehicles may be used for travel to events outside of the wing with approval from the travelers' unit commander and the Wing Commander. Consult the appropriate KYWG transportation regulations for procedures.

Paragraph 24i. (Added). The wing may not compensate the member using his/her own vehicle for any physical automobile damage or for any amount, which may be deductible from the member's collision insurance coverage.

Paragraph 25c. (Added). Business Meeting Meals or Entertainment

Paragraph 25c(1). (Added). Business meeting meals or entertainment must have a business purpose and must include two or more persons. Costs should be reasonable and customary for the location.

Paragraph 25c(2). (Added). Itemized receipts are required. A simple total charge receipt is insufficient. Members requesting meal reimbursement should ask for the itemized order receipt.

Paragraph 25c(3). (Added). Use of the credit card: The credit card is the preferred method of payment for such expenses.

Paragraph 25c(4). (Added). Reimbursement: If the expense was out-of-pocket, it may be submitted for reimbursement on the form. Tips for business meeting meals or entertainment are reimbursable up to 20% of meal cost.

Paragraph 25c(5). (Added). Alcoholic beverages: Regardless of the payment method used, alcoholic beverages associated with a business meeting meal or entertainment will not be charged on a wing credit card and will not be reimbursed.

Paragraph 25d. (Added). Personal Meals:

Paragraph 25d(1). (Added). Personal meals are individual, everyday meals consumed during

business travel. A maximum of three personal meals per day may be reimbursed.

Paragraph 25d(2). (Added). Same day travel: Wing members do not qualify for personal meal reimbursement during same-day travel. IRS regulations require that an employee be away from home substantially longer than an ordinary day's work and during the time away from home, need sleep or rest.

Paragraph 25e. (Added). Miscellaneous:

Paragraph 25e(1). (Added). Telephone and fax: Reasonable charges for communications made for wing-related purposes will be reimbursed. Receipts for those charges must be attached unless included on the hotel statement. Internet charges are also reimbursable with prior approval.

Paragraph 25e(2). (Added). Laundry: Personal laundry and cleaning and pressing of clothing will not be reimbursed.

Paragraph 25e(3). (Added). Tips: Reasonable tips for baggage handling may be reimbursed.

Paragraph 25e(4). (Added). Registration fees: Reasonable charges for registration fees may be reimbursed.

Paragraph 25e(5). (Added). Alcoholic beverages: Alcoholic beverages will not be reimbursed.

Paragraph 26. (Added). Fundraising. All fundraising must be approved in advance by the Wing Commander. Requests must be made using KYWGF 1731.3. Requests may be submitted directly to the Wing Commander or through the Wing WA.

Paragraph 33. (Added). On-site Fee Collections.

Paragraph 33a. (Added). Whenever possible, activity fees should be paid by check or credit card to the wing, and deposited in the appropriate account by the WA. Cash and check fees collected on-site will be tabulated daily using the KY Wing Deposit Worksheet, KYWGF 1731.4. At least two members must assist in the completion of the form. The preparer is the person who counts the cash and checks, and completes the form. After completing the form, the preparer signs in the "Prepared By" space. The count must be independently verified by another member, who signs the "Verified By" space. The deposit worksheet, and all cash and checks, will be placed in an envelope and sealed. The preparer and verifier will both sign through the envelope seal. Once sealed and signed, the envelope may be opened ONLY by the WA. The event OPR will turn the envelope in to the WA as soon as possible. The WA will open the envelope, verify the accuracy of the KYWGF 1731.4, and make the deposit.

Paragraph 33b. (Added). Receiving a Cash Payment. Cash is the least favored method of fee collection. Whenever possible, members should pre-pay KYWG for events using check or credit card. All cash collected for payment must be deposited in the proper account. Cash collected for an event may not be used to make cash payments in support of the event. The person accepting a cash payment must complete a two-part receipt for each individual collection. Both the payer and the collector must sign the receipt. The receipt original will be given to the payer. The receipt copy will be retained by the collector, and included in the cash deposit outlined above. The WA will retain the receipt copy with the financial records associated with the event.

Paragraph 33c. (Added). Receiving a Check Payment. All checks should be made out to “KY Wing Civil Air Patrol.” Ensure the check is signed. Place the member ID in the memo portion of the check. Stamp the check with the appropriate deposit/endorsement stamp, and ensure it is included with the daily KYWGF 1731.4. Prepare a two-part receipt as described in paragraph 33b.

Paragraph 33d. (Added). Receiving a Credit Card Payment. If appropriate equipment and support systems are in place, the event OPR may accept credit card payments on site. Any transaction fees must be borne by the payer. Prepare a two-part receipt as described in paragraph 33b.

Paragraph 34. (Added). On-Site Payments During Events.

Paragraph 34a. (Added). Whenever possible, payments for expenses in support of ongoing activities at an event should be made by check or credit card. When using a check or credit card, procedures outlined in CAPR 173-1 and this supplement should be used.

Paragraph 34b. (Added). Making a Cash Payment. Cash may be used only when no other method of payment is accepted by the vendor. When an event OPR anticipates using cash, obtain a check for the event made out to the OPR, indicating “Cash advance for (*event or mission*).” If a detailed cash register receipt is not available upon payment, prepare a two-part receipt to be signed by the vendor. Complete KYWGF 1731.2 with all information and attach the receipt or note as described in this supplement. Remaining cash funds must be returned to the WA for redeposit using the procedures for cash collections. The sum of all receipts indicating cash payments plus the redeposit amount must be equal to the original cash advance. If cash payments become necessary, use the procedure for cash payments in its entirety.

Summary of changes:

Paragraph 17a. Clarifies procedure for units below Wing level to submit deposits.

Paragraph 17b. Clarifies procedures for members to request advances for authorized activities.

Paragraph 20b(4). Added reference to KYWG/LGT.

Paragraph 24b(3). Clarified reimbursement for offsite conference accommodations.

Paragraph 24d. and 24.d.(1). Changed reference to KYWGF 1831.9. Clarified use of CAPF 170.

Paragraph 24e. Clarifies procedures for reimbursement after travel.

Paragraph 26a. Clarifies procedures to request fundraising authorization.

Darrel D Williamson, Colonel, CAP
Commander

COMPLIANCE ELEMENTS

There are no compliance elements to this supplement.