



The purpose of the Vanguard Fund Procedures is to outline a consistent approach to the distribution of Vanguard Funds.

1. **Vanguard Funds Defined**

- a. Vanguard provides a monthly sales commission to Civil Air Patrol (CAP) based on a percentage of sales processed. Vanguard funds have no restrictions and can be used for capital improvements, program expenses, and other relevant costs.

2. **Distribution of Funds**

a. **Region Distribution**

Each region will be eligible to receive a Vanguard Funds distribution to be used for the benefit of the region members. The amount of the distribution will be determined based on the number of region members and an annually assessed amount per member of \$1 (rounded to the nearest 100 members). The number of members will be based on membership the last day of the preceding fiscal year.

b. **Region Requirements for Distribution**

Region distribution of Vanguard Funds will begin once the region submits an annual budget and an approved Financial Reserves Plan to CAP FM. The budget should clearly articulate how the Vanguard Funds will be spent.

c. **Request of Funds outside Region Distribution**

Once the region distributions have been allocated, additional Vanguard Funds can be requested. National Staff leads or a Region Commander should complete the Vanguard Fund Justification Form (appendix B) which will assess:

- o Financial need
- o Clear attempt to self-fund
- o Strategic goal attainment
- o Fixed asset acquisition/maintenance
- o Special Event
- o Finance committee recommendation

- d. Completed Vanguard Fund Justification Forms should be submitted to the National Finance Committee, as outlined in Paragraph 3, and will be evaluated using the Request Matrix (Appendix A) as a guideline.

3. **Timeline for request**

- a. Requests for consideration of Vanguard funding outside the Region Distributions should be submitted to the National Finance Committee by July 1st prior to the beginning of the fiscal year of distribution.

Appendix A

Criteria	Weight of the criteria	Description	Rating (1-5)
Requirement	20%	Is this a required need to meet legal or regulatory compliance?	1 – not required 5 – required
Strategic Alignment	25%	Is the project aligned with the corporation strategic plan?	1 – not aligned 3 – partially aligned 5 – significantly aligned
Value to Corporation	10%	Will the project bring value to the corporation?	1 – little or no value 3 – some value 5 – high value
Importance to Corporation Risk Mitigation	10%	If the project is not approved does it increase risk to the corporation?	1 - little or not applicable 3 - some risk if not approved 5 - high risk if not approved
Cost / Benefit for Members	15%	What is the estimated cost to benefit ratio for the number of members the project will benefit?	1 - high costs, low member benefit 3 - medium cost, medium member benefit 5 - low cost, high member benefit
Management and Monitoring	10%	Does the project development demonstrate realistic and achievable results given the recourses required?	1 - little or no project development 3 - some project development 5 - project is well developed
Sustainability	10%	Will the project require ongoing funding?	1 - yes, ongoing support required 3 - limited 5 - no additional resources required