



# CAP REGULATION 173-1

19 November 2018

APPROVED/K. BAKER/CAP/FM

Finance

## FINANCIAL PROCEDURES AND ACCOUNTING

CAP Regulation 173-1, dated 15 November 2012 (Includes ICL 17-02 15 March 2017), is supplemented as follows:

9.c.(9)(a) Added. PRWG Form 6, Budget, must be completed for units below Wing level for the fiscal year. This form will be submitted to the Director of Finance and a copy must be filed in the unit for periodic review. If revised, a new PRWG Form 6 must be submitted to the Director of Finance.

9.c.(9)(b) Added. For all activities that involve monetary transactions, for example encampments, courses, sport events, etc., a budget must be submitted to the Wing Director of Finance.

10.a.(1) Added. The PRWG Form 5, Internal Transfer Form, must be completed, if for any reason, be it temporary or permanent, a need to transfer of money, from one of CAP's PRWG account to another.

17.a. Added. The following forms must be submitted to the Wing Administrator and the Wing Director of Finance according to the event or activity.

17.a.(1) Added. PRWG Form 1, Deposit - Wing Level

17.a.(2) Added. PRWG Form 2, Deposit - For Units below Wing Level

17.a.(3) Added. PRWG Form 3, Account Check Request Form - Wing Level

17.a.(4) Added. PRWG Form 4, Check Request - For Units below Wing Level

24.a. Added. Puerto Rico Wing travel should be undertaken when the benefits of the trip will serve to execute or improve Civil Air Patrol programs and services. PRWG 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.

24.a.(1) Added. Guidelines.

24.a.(1)(a) Added. Wing members should be forward thinking in looking for the best return on investment. This policy is intended to provide guidelines for wing members to 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.

24.a.(1)(b) 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 communication may be substituted. Should travel be necessary, it is the member's responsibility to keep the costs associated with the trip to a reasonable minimum.

24.a.(1)(c) Added. Airline, hotel, and rental car reservations should be made using the lowest rate available. Lodging rates for Board of Governors meetings and wing conferences will be reimbursed at the conference or host hotel rate.

24.a.(2) Added. Reimbursement of Member Expenses.

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

- Reasonableness of the expense, and
- Wing-related business purpose.

24.a.(2)(b) Added. Acceptable expenses include, but are not limited to, lodging, air transportation, and ground transportation.

24.a.(3) Added. Expense Report. Internally developed wing form may be used to document travel and obtain reimbursement; PRWGF 8, Travel Expenses Report. The travel form should be filed within 30 days after the completion of the travel. Receipts for expenses should be attached to the form.

24.a.(4) 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 for reimbursement. If the wing credit card is used to pay for travel-related expenses, receipts for authorized credit card purchases will be submitted with the monthly credit card statement.

24.a.(5) Added. Travel Advances. The Finance Committee will approve travel advances on a case-by-case basis. The member must submit a budget report to the Finance Committee detailing the estimated costs of the wing-related travel. The Finance Committee will determine the authorization and amount of the travel advance. Traveling members receiving travel advances will be required to repay any funds that are in excess of actual expenses incurred. The member will submit a report listing expenses incurred and will attach respective original receipts to the report. If the member does not submit the report with all receipts within 30 days, the member will be responsible for reimbursing the wing the entire amount of the advance.

24.a.(6) Added. Air Travel.

24.a.(6)(a) 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 changes 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.

24.a.(6)(b) Added. Flights should be booked as far in 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.

24.a.(6)(c) 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 reasonably flexible regarding flight times. Every attempt should be made to take advantage of reduced rates.

24.a.(6)(d) Added. Coach class (or lowest available) should be used by all members. Business and first-class fares are not authorized.

24.a.(7) Added. Ground Transportation.

24.a.(7)(a) 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 SUVs 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.

24.a.(7)(b) 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 all other expenses incurred while driving their personal vehicles, including moving traffic violations and parking tickets.

24.a.(7)(c) 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.

24.a.(8) Added. Personal Meals.

24.a.(8)(1) Added. Personal meals are individual, everyday meals consumed during business travel. A maximum of three personal meals per day may be reimbursed.

24.a.(8)(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.

25.c. Added. Meals.

25.c.(1) Added. Business Meeting Meals or Entertainment. 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. Itemized receipts are required.

25.c.(1)(a) Added. Use of the Credit Card. The credit card is the preferred method of payment for such expenses.

25.c.(1)(b) 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.

25.c.(1)(c) Added. Alcoholic Beverages. Regardless of the payment method used, alcoholic beverages associated with a business meeting meal or entertainment will not be reimburse.

26.a. Added. For all activities that involve fundraisings, a PRWG Form 9, Request for Fundraising Activities, must be submitted no later than 10 days before the event. This form must be submitted to the Wing Commander through the Wing Director of Finance.

26.b. Added. Once the event is finalized a PRWG Form 7, Finance Activity Report, must be completed and file in the unit. If the activity is sponsored by the Wing, it must be submitted to the Wing Director of Finance.

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Commander

**Attachment 1**

**COMPLIANCE ELEMENTS**

There are no compliance elements for this supplement