

CAP Unit Commanders Course

Budgeting Exercise:

EXERCISE OBJECTIVE: To enable students to apply what they have learned from the budgeting segment and reach a workable solution to the case presented.

In this exercise, you will plan a budget for a composite squadron for one year. What follows is a brief summary of the large assets you have available:

- 1 corporate aircraft (2001 model Cessna 172)
- 1 corporate van (2012 Dodge 12 passenger van)
- 1 Dell desktop computer (corporate issue 2012)
- 1 HP laser printer
- 2 EF Johnson portable radios
- 1 Cannon desk top copier (originally purchased in 2004, needs replacing)
- 1 21" TV/VCR combination (TV purchased in 2004; need DVD, flat screen?)
- 2 L-PER direction finding units w/cases

You are situated on an airport and rent your facility for \$50.00 per month. Your lease expires on 31 December 2017. The airport manager has given you tie down space free of charge. Hangar space is available but he will charge you an additional \$50.00 per month.

Your unit charges dues: \$2.00 for seniors and \$1.00 for cadets per meeting, paid quarterly, which are your main source of paying the non reimbursable bills. You pay for encampment fees by check through the Wing Banker Program and collect the money from the cadets in advance. Every year, the squadron sponsors its own model rocketry program for cadets at no charge and also gives cadets their insignia upon promotion.

You publish a monthly squadron newsletter and mail it to members' homes. Your unit is active in emergency services and is fairly good about turning in claims for reimbursement, but it could be better.

Our fundraising activities are limited and usually are designed to benefit a squadron activity, such as an open house.

Your task in this exercise is to take this information and the financial summary provided and develop a budget for the coming year. You may not reduce the tempo of activities, nor give up assets. You may estimate member levels, plan to buy or upgrade assets, increase receipts and/or reduce expenses.

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In this exercise your group will operate as the unit finance committee, so you must designate a unit commander, finance officer, and recorder for the exercise. The remainder of the group will be on the committee.

There is no single correct answer to this exercise. The purpose of the exercise is to emphasize the importance of budget planning to the unit, given the amount of activity and money flow even a modest sized squadron has.

You group has 30 minutes to develop a budget. Then we'll spend some time to discuss each group's approach to the process.

Good Luck!

CIVIL AIR PATROL

: @CF-85 WING

UNIT NAME *REPUBLIC COMPOSITE SQUADRON* UNIT NUMBER *SER-FL-888*

Cash for the unit held at the wing through the Wing Banker program Oct 1, 2016\$324.00

Add: Receipt

Account No.	Account Title	Amount	Notes
5050000	Gov. Appropriations/Programs	\$960.00	(Mission reimbursement)
5060000	Gov. Appropriations/General	\$0	
5080000	Government Contributions	\$0	
5223200	Senior Activities	\$0	
5224200	Cadet Activities	\$455.00	(7 cadet encamp. fees)
5224300	Combined Senior & Cadet Activities	\$0	
5225200	Flight Activities	\$1073.00	
5240000	Fundraising/Special Events and acts	\$162.50	
5310012	Membership Dues	\$1890.00	(10 seniors @ \$2/wk) 45 wks (22 cadets @ \$1/wk) 45 wks
5412011	Contributions	\$300.00	
5415000	Miscellaneous Receipts	\$0	
5419000	Investment Income/Saving & Temp	\$0	
5424100	Materials and Supplies Sales	\$0	
5424200	Insurance Collected	\$0	
5424300	Unrelated Business Income	\$0	
6300000	Receipts from National HQ	\$290.00	(Cadet Orientation Flights)
6400000	Receipts from other CAP entities	\$0	

Total Receipts.....\$5130.50

Total Beginning Balance and Receipts during Year.....\$ 5454.50

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Less: Expenditures

Account No.	Account Title	Amount	Notes
7100000	Awards and Grants to Individuals	\$50.00	
7210000	Salaries	\$0	
7324000	Workers Comp Insurance	\$0	
7410000	Payroll Taxes	\$0	
7520000	Professional Services	\$125.00	
7600000	Mission Expenditures	\$400.00	
7700100	Supplies	\$150.00	
7701000	Cost of Sales	\$550.00	
7745000	Communication Equipment Purchased	\$0	
7810000	Telephone	\$520.00	
7900000	Postage and Shipping	\$122.88	
8010000	Rent	\$600.00	(Rent \$50/month)
8016000	Property Taxes	\$0	
8085000	Other Facility Expenditures	\$100.00	
8110000	Aircraft O+M	\$1200.00	
8120000	Vehicle O+M	\$160.00	
8123000	Other Equipment Purchased	\$70.00	
8230000	Printing and Publications	\$100.00	
8310000	Travel	\$50.00	
8475000	Cadet Activities	\$605.00	(7 encampment fees/model rocketry)
8476000	Senior Activities	\$75.00	
8480000	Combined Senior & Cadet Activities	\$0	
8540000	Conferences and Meetings	\$0	
8700000	Insurance	\$365.00	
9302000	Miscellaneous	\$40.00	
9305000	Interest Expense	\$0	
9430000	Unrelated Business Income Expenses	\$0	
9434000	Payments to National HQ	\$0	
9436000	Expenditures to other CAP Entities	\$0	
9438000	Fundraising Expenses	\$25.00	
9445000	Lobbying Expenditures	\$0	
Total Expenditures.....		\$5307.88	

Projected Cash in Wing Banker account, Sept 30, 2017.....\$146.62

