

Supply

**ACQUIRING, REPORTING, AND DISPOSING OF
CORPORATE AIRCRAFT**

This regulation establishes policies and procedures for acquisition, accounting, reporting, and disposition of corporate aircraft. The authority to acquire or dispose of a corporate aircraft is held by National Headquarters, the wing and region commanders. See CAPR 70-1 for more explicit authority for CAP to acquire aircraft. It applies to all CAP and CAP-USAF personnel.

	Paragraph	Page
Chapter 1 - General		
Definitions of Aircraft Used in the CAP	1-1	2
Force Structure	1-2	2
Operational Policy	1-3	2
Chapter 2 - Acquisition of Corporate Aircraft		
Acquisition of Excess DOD Aircraft and DOD Funded Aircraft	2-1	3
How Wings and Regions May Apply for DOD Aircraft	2-2	3
Local Purchase of Aircraft	2-3	3
Donations from Private Sources and States	2-4	3
Leased Aircraft	2-5	3
CAPF 37 Procedures	2-6	3
How to Register Corporate-Owned Aircraft	2-7	3
Hull Insurance for Corporate Aircraft	2-8	3
Chapter 3 - Disposition of Corporate Aircraft		
Sale of Corporate Aircraft	3-1	4
Sale Procedures for Aircraft to be Sold by National Headquarters	3-2	4
Sale Procedures for Aircraft to be Sold by Regions/Wings	3-3	4
Corporate Aircraft Approved for Sale	3-4	4
Negotiated Sale of Aircraft that Failed to Sell on Sealed Bid Sale	3-5	4
Use and Disposition of Proceeds from the Disposal of Corporate-Owned Aircraft	3-6	4
Transferring Corporate Aircraft	3-7	5
Procedures to Use an Aircraft as a Ground Training Aid	3-8	5
Procedures for Control and Disposition of Crashed/Damaged Corporate Aircraft	3-9	5
Chapter 4 - Accounting and Reporting of Corporate Aircraft		
RCS: CAP S-5 Report	4-1	6
Procedures	4-2	6
Suspense Date	4-3	6
Attachments		
1. Disposition Request Format		7
2. Aircraft HSI/Inventory Report		9

Supersedes CAPR 67-4, 30 December 1988. (See signature page for summary of changes.)

OPR: LGM

Distribution: In accordance with CAPR 5-4.

CHAPTER 1 – GENERAL

1-1. Definitions of Aircraft Used in the CAP. Any aircraft registered or leased exclusively to the Civil Air Patrol, Inc., for regular use in CAP programs or activities. These may be corporate owned or member owned aircraft.

a. Corporate-Owned Aircraft:

(1) Excess aircraft obtained from Department of Defense (DOD) sources.

(2) Aircraft purchased using Congressional appropriated funds in the name of Civil Air Patrol, Inc. with permanent title vested in the corporation.

(3) Aircraft purchased by a CAP unit (region, wing, group, squadron, etc.) in the name of Civil Air Patrol, Inc., with permanent title vested in the corporation.

(4) Aircraft donated to Civil Air Patrol, Inc., by an individual, state, or organization with permanent title vested in the corporation.

b. Leased Aircraft. Aircraft leased exclusively to Civil Air Patrol, Inc., for a specific length of time. NOTE: All leases for aircraft must be approved in advance in writing by the National Administrator, Executive Director, or National Commander. (See para 2-5)

c. Member-Owned Aircraft. An aircraft owned by a CAP member that is frequently used on CAP missions and for CAP activities.

1-2.. Force Structure. The Nov 92 NEC revalidated (Goal #1, Objective c.) that the corporation will maintain;

- 530 powered aircraft
- avg age 10 years (inclds rebuild dates)
- at locations to best support missions for America

1-3. Operational Policy. Corporate aircraft should be prudently flown to fully support the USAF and corporation missions, as articulated in the MOU.

a. Because the American public views all CAP flight operations as USAF operations, each corporate aircraft mission should project the very best professional USAF image, both in personnel and equipment.

b. There is no maximum imposed on the annual hours that may be flown in support of MOU missions, but the NEC has established a minimum annual flying time of 100 hours per aircraft to ensure proper equipment maintenance throughout the life cycle of the machine.

c. Region and Wing commanders will enforce all aircraft policies and coordinate with National Headquarters (Hq CAP) when an aircraft move is required.

d. HQ CAP may reapportion aircraft based on national mission requirements.

CHAPTER 2 – ACQUISITION OF CORPORATE AIRCRAFT

2-1. Acquisition of Excess DOD Aircraft and DOD Funded Aircraft. The acquisition of excess DOD aircraft is made only by National Headquarters. Only those aircraft that are related to or enhance the objectives and mission of CAP are acquired. The suitability, condition, and conversion status of all DOD excess aircraft is determined by National Headquarters/I,G prior to acquisition.

2-2. How Wings and Regions May Apply for DOD Aircraft. A written request must be submitted to National Headquarters/LG indicating the type of aircraft desired, method of payment, and justification for each type requested. Wing requests must be submitted through their respective regions. Region requests will be submitted directly to HQ/LG. All requests will include an information copy to the Liaison Region/LG. All requests will be reviewed by National Headquarters to determine the wing's capability to use the aircraft.

2-3. Local Purchase of Aircraft. For wings financially capable of doing so, a cash purchase from a dealer or individual may be the best method of purchasing corporate aircraft. Approval of the region commander and Headquarters/LG must be obtained prior to the acquisition of an aircraft by a wing commander. Region commanders will consider moving aircraft within the region on a permanent or temporary basis before requesting additional aircraft. National Headquarters/LG must be notified in order to register the aircraft and add it to the RCS:CAP S-5 report. ATTENTION: See paragraph 2-7

2-4. Donations from Private Sources and States. States, individuals, or organizations may donate aircraft to CAP and should be encouraged to do so. CAP will only accept donations that give the Civil Air Patrol, Inc. free and clear title to the aircraft. Procedures to accept donated aircraft are contained in CAPM 67-1.

2-5. Leased Aircraft. Wings or regions may enter into written leases of aircraft for certain periods of time. Those leases must be approved in advance by the National Administrator, Executive Director, or National Commander. Normally such leases should be "exclusive" which means that during the period of the lease the aircraft may only be used for CAP purposes by qualified CAP pilots. Leases must clearly outline responsibilities for maintenance and hull loss and damage. Unless the lessor's hull coverage can apply to

CAP and its members, the CAP unit must maintain hull coverage for leased aircraft from commercial sources naming CAP and its members as the insured. A copy of the certificate of the hull coverage will be furnished to National Headquarters LG. The CAP HSI coverage does not apply to leases or borrowed aircraft. See CAPR 900-5 for liability coverage.

2-6. CAPF 37 Procedures. A CAPF 37, Shipping and Receiving Document, must be prepared by the gaining region/wing for all newly acquired aircraft, excluding leases. The CAPF 37 will list all navigation and communication equipment in the aircraft by manufacturer name, model and, if reasonably possible, serial number. Instructions for preparation and processing of the CAPF 37 are contained in CAPM 67-1.

2-7. How to Register Corporate-Owned Aircraft:

a. All corporate-owned aircraft will be registered with the FAA by National Headquarters/LG in the name of Civil Air Patrol, Inc., National Headquarters, Maxwell AFB, Alabama 36112-6332.

b. The following information and documentation is required by National Headquarters to register an aircraft.

(1) The current FAA registration number.

(2) The aircraft make, model, serial number, and year manufactured.

(3) The original (or a properly executed duplicate-signed in ink) bill of sale transferring ownership to CAP.

(4) A check for \$5.00 made payable to: Federal Aviation Administration.

c. When the above documentation is received by National Headquarters/LG, the pink copy of the application will be returned to the unit possessing the aircraft to be used until the permanent "Certificate of Registration" is received. NOTE: Lost Your Registration? Send a check for \$2.00 made out to the FAA with the "N" number, make, model, and serial number to National Headquarters/LG. A new one will be requested and forwarded.

2-8. Hull Insurance for Corporate Aircraft. Hull insurance for CAP aircraft is provided for by National Headquarters Hull Self Insurance Program. It was established as a non commercial program of self insurance intended to provide a ready means of repairing or replacing corporate aircraft. For all the details, criteria, rates, and claim procedures, see CAPR 900-6.

CHAPTER 3 – DISPOSITION OF CORPORATE AIRCRAFT

3-1. Sale of Corporate Aircraft. Those aircraft that are determined to be excess to the needs of CAP or not economically repairable should be considered for disposition. Once it has been established that an aircraft should be sold, the following procedures apply. ATTENTION: The sale of any corporate aircraft must be approved by the wing commander, region commander and National Headquarters/LG in writing.

3-2. Sale Procedures for Aircraft to be Sold by National Headquarters:

a. To request the sale of a corporate aircraft the format in attachment 1 must be used. Written approval will be sent to the initiating wing/region commanders prior to the advertising of the aircraft for sale. The aircraft will be advertised by National Headquarters in at least two publications. Upon completion of the sale, each wing/region involved will be notified of the status of their aircraft. If an aircraft sells, the following documents must be forwarded to National headquarters/LG.

(1) The "Certificate of Aircraft Registration" with the appropriate items completed on the reverse side, signed and dated.

(2) FCC Form 559, Aircraft Radio Station License, if the radios are licensed under the CAP fleet license.

b. The bill of sale will be prepared by National Headquarters/LG. Upon receipt of the above documents the aircraft will be deregistered with the FAA. ATTENTION: The aircraft will not be released to the purchaser until full payment is received by National Headquarters/LG and all CAP markings and decals are removed from the aircraft.

3-3. Sale Procedures for Aircraft to be Sold by Regions/Wings.

To request the sale of a corporate aircraft to be sold by Regions/Wings, the format in attachment 1 must be used. All sale requests must be routed through the respective wing and region commanders to National Headquarters/LG for final approval. Written approval will be sent to the initiating wing/region commanders. Local sale procedures are as follows:

a. Place ads advertising the sealed bid sale of aircraft in at least two publications receiving the widest possible circulation in the local area. As a minimum, the ads should contain the following:

(1) The time, place, and date the sealed bids will be opened.

(2) The phrase "all aircraft are sold `as is, where is' no expressed or implied warranties arising from statements in the aircraft and engine log books."

(3) A minimum bid.

(4) The statements. A five (5) percent deposit binder is required in a cashier's check or money order payable to Civil Air Patrol, Inc. successful bidders are required to satisfy bid balance within 30 days or not later than (enter a cutoff date here) or binder will be forfeited as liquidated damages and aircraft will be sold to next highest bidder. If two or more individuals submit the same highest bid, the bid with the earliest postmark will be considered the successful bid. The bid opening date should allow ample time for all bidders to submit bids after the last publication of the ad.

b. Bidders may be invited to observe the bid openings. Sale will be made to the highest responsive bidder at or above the minimum bid. Unsuccessful bidders will be notified immediately. The proceeds for each sale will be in the form of a cashier's check or money order payable to Civil Air Patrol, Inc. ATTENTION: When the sale is finalized, the following documentation must be submitted as a package through the respective wing and region liaison offices to Headquarters/LG.

(1) All proceeds from the sale.

(2) A copy of all ads placed announcing the sale.

(3) All bids received.

(4) A CAPF 37 (see CAPM 67-1 for instructions).

(5) A copy of the bill of sale. NOTE: The bill of sale must be signed by the wing or region commander (corporate official). The original must go to the purchaser with one copy to National Headquarters/LG.

(6) The "Certificate of Aircraft Registration" with appropriate items completed on the back, signed and dated.

(7) FCC Form 559, Aircraft Radio Station License. ATTENTION: The aircraft will not be released to the purchaser until all CAP markings and decals are removed from the aircraft and the above documentation is received.

3-4. Corporate Aircraft Approved for Sale:

All aircraft which are approved for sale are placed in a sale status effective the beginning of the sale period and will not be flown again until consummation of the sale in order to protect the interest of the prospective buyer and the integrity of the Civil Air Patrol, Inc. NOTE: It is permissible to fly the aircraft for short one hour or less demonstration rides for prospective buyers only. Aircraft may also be flown to verify maintenance actions.

(1) Wings will be notified of the sealed bid sale date. Aircraft will be continued to be flown and maintained by the wing until notification of sale period is received.

(2) The wing is responsible for maintaining the aircraft before and during the sale period.

(3) No serviceable parts are to be included in the sale, and no parts, components, or equipment reported on the aircraft sale request may be removed or exchanged from the aircraft during the sale period or after the sealed bid sale opening.

3-5. Negotiated Sale of Aircraft that Failed to Sell on Sealed Bid Sale. Aircraft that failed to sell on a sealed bid sale may be sold through negotiation. However, the negotiated sale price must be approved in writing by Headquarters/LG. A maximum of 90 days will be allowed to negotiate a sale.

3-6. Use and Disposition of Proceeds from the Disposal of Corporate-Owned Aircraft. Funds received from the sale of aircraft and/or aircraft equipment source coded DA, CD, DD, DP, or AF, whether sold by the wing or National Headquarters, will be retained in National Headquarters Aircraft Modernization Program Fund to purchase replacement aircraft or for approved aircraft maintenance purposes. Funds

received from the sale of aircraft and/or aircraft parts source coded other than DA, CD, DD, DP, or AF will also be retained in the Aircraft Modernization Fund for the wing/region selling the aircraft unless the aircraft is replaced with newer model. Funds may be withdrawn by submitting a written request to headquarters/LG stating the amount and purpose for the withdrawal. All proceeds from aircraft/aircraft equipment sales will be used to purchase replacement aircraft, approved aircraft maintenance purposes or aircraft insurance. Any deviation from these procedures must be approved by National Headquarters/LG.

3-7. Transferring Corporate Aircraft. Region commanders may transfer aircraft between wings within their region or between regions. Wing commanders may transfer aircraft within their wing. All transfers should be reported to National Headquarters CAP/LG immediately.

3-8. Procedures to Use an Aircraft as a Ground Training Aid. Only uneconomically repairable or scrap

aircraft will be approved to use as a ground training aid. A written request as outlined in attachment 1 must be submitted through the respective wing and region commanders to National Headquarters/LG for final approval. If approved, the following documentation must be submitted to LG before the aircraft will be removed from the RCS: S-5 report.

- a. The "Certificate of Aircraft Registration."
- b. A CAPF 37.
- c. FCC Form 559, Aircraft Radio Station License.
- d. Aircraft Data Plate.
- e. Aircraft and engine log books.
- f. Aircraft airworthiness certificate.

After aircraft are converted to a training aid, they are no longer considered to be aircraft, and will be accounted for in accordance with CAPM 67-1.

3-9. Procedures for Control and Disposition of Crashed/Damaged Corporate Aircraft. If aircraft is insured by National Headquarters Hull Self Insurance Program, follow procedures outlined in CAPR 900-6.

CHAPTER 4 – ACCOUNTING AND REPORTING OF CORPORATE AIRCRAFT

4-1. RCS: CAP S-5 Report. The instrument for accounting and reporting of data pertaining to corporate Aircraft is the "Aircraft HSI/Inventory Report, RCS: CAPS-5." Only corporate aircraft will appear in this report. (See paragraph I-2 for definition of corporate aircraft.)

4-2. Procedures. National Headquarters/LG will prepare a quarterly RCS: CAPS-5 Report for each region and wing. The report will arrive at the respective region and wing headquarters on or about 1 March, 1 June, 1 September and 1 December. Each commander should ensure that the report is immediately processed and updated with the columnar information as outlined below and in attachment 2.

a. Aircraft Manufacturer and Model. This column contains the type aircraft and model number.

ACFT	AIRCRAFT
MFG	MODEL
PIPER	PA-18-105
CSNA	T-41 B

b. FAA Registration Number (N Number).

N
NUMBER
N6113T
N43860

c. Aircraft Manufacturer Serial Number.

SERIAL #
18-6371
8172-0124

d. Source Code. This column contains the two digit alpha code which shows the source from which the corporation originally obtained the aircraft.

SRCE CODE
LP
DP

e. Current Value. This column contains the current Aircraft *Bluebook Price Digest* value if type and model is included in the publication. If not included in the publication, current sales history will be used to value the aircraft. This figure will be adjusted each July as the Price Digest and/or

sales history changes.

CURRENT VALUE
007500
031500

f. Reference Year. This column contains the year an aircraft has been completely rehabilitated. It will be blank if none or only partial rehabilitation was accomplished.

REF YEAR
78
81

g. Year Manufactured. This column contains the year the aircraft was manufactured.

YEAR MFG
53\
66

h. Year Acquired. This column contains the year the aircraft was acquired by CAP, not by a particular wing.

YEAR ACQ
71
83

i. Region and Charter #. Verify charter number.

j. Quarterly Premium. This column will show the quarterly HSI premium due based on the amount of insurance coverage on each aircraft. The total quarterly premiums for each region/wing will be due by the first day of each quarter: 1 Jan, 1 Apr, 1 Jul and 1 Oct.

k. Remarks. This column is open for any remarks concerning the status of the aircraft.

4-3. Suspense Date. The S-5 Report is produced in six copies. A suspense copy is retained at National Headquarters, and the remaining copies are mailed to the respective regions and wings. After the report has been reviewed and updated as necessary, it should be signed by the region/wing commander or designated representative. Copies should then be distributed to the following offices: Wing, Wing LO, Region, and Region LO. The original copy and full HSI payment should be returned to National Headquarters/LG postmarked NLT 1 Jan, 1 Apr, 1Jul, and 1 Oct.

OFFICIAL

RONALD T. SAMPSON, Colonel, USAF
Executive Director

//Signed//

WILLIAM M. HENDRIX, SR., Major, USAF
Director of Administration

WARREN J. BARRY, Brigadier General, USAF
National Commander

SUMMARY OF CHANGES

This revision deletes Bid Sale Schedule; adds units responsibility of aircraft on sale status (para 3-4); adds source code CD for customs donated aircraft (para 3-6); and adds avionics equipment list to Attachment 1.

Attachment 1. Disposition Request Format .

**DISPOSITION REQUEST FORMAT
SUBJECT: REQUEST TO DISPOSE OF SERVICEABLE/ECONOMICAL
REPAIRABLE/UNECONOMICALLY REPAIRABLE/SCRAP AIRCRAFT**

TO: COMMANDER _____ REGION CAP

1. It is recommended that aircraft N _____ be:

- A. _____ Sold and proceeds be used to purchase a replacement aircraft or upgrade other corporate aircraft.
- B. _____ Traded for a later model aircraft.
- C. _____ Reclaimed and scrapped for parts and deleted from inventory.
- D. _____ Converted to a training aid and deleted from inventory.
- E. _____ Sold as scrap and deleted from active inventory.

2. If request is to sell indicate:

- A. _____ Local Sale. _____ Bid Opening Date if Local Sale.
- B. _____ Headquarters Sale.

3. Estimated selling expenses incurred: \$ _____

SIGNATURE: _____
WING COMMANDER

DATE: _____

TYPE NAME AND GRADE

cc: CAP-USAF LO

1ST IND.

_____ REGION CAP

SIGNATURE: _____
REGION COMMANDER

DATE: _____

TYPE NAME AND GRADE

cc: CAP-USAF LRs/cc

HQ CAP-USAF/MSL

SIGNATURE: _____
CAP-USAF/MSL

DATE: _____

TYPE NAME AND GRADE

AIRCRAFT DISPOSITION REQUEST DATE

DATE: _____

- 1. Aircraft Manufacturer and Model _____ Year _____
- 2. FAA Registration No. _____ Mfg/DOD Serial No. _____
- 3. Total Airframe Time _____ Total Engine Time _____ or Since Major Overhaul
- 4. Date of last aircraft annual inspection _____
- 5. Avionics (List only the avionics that will remain in aircraft).

	MAKE	MODEL		MAKE	MODEL
Audio Panel	_____	_____	Intercom	_____	_____
Nav/Com 1	_____	_____	Other	_____	_____
Nav/Com 2	_____	_____		_____	_____
ADF	_____	_____		_____	_____
DME	_____	_____		_____	_____
Transponder	_____	_____		_____	_____
Encoder	_____	_____		_____	_____
Autopilot	_____	_____		_____	_____

6. Aircraft paint condition (excellent, good, poor, unsatisfactory) _____

7. Damage History (See attached sheet). _____

8. Repairs needed/Cost (See attached sheet) _____

9. Airport/City where aircraft will be located during sale _____

10. Person(s) to contact to show aircraft to prospective bidders.

Name: _____

Phone: Office: _____

Home: _____

Mailing Address: _____

City: _____ Zip: _____

Name: _____

Phone: Office: _____

Home: _____

Mailing Address: _____

City: _____ Zip: _____

11. Comments: _____

Aircraft HSI/Inventory Report

PGM: LG220

AIRCRAFT HULL SELF INSURANCE/INVENTORY REPORT (SS)
 INVOICE # 93-03 JAN -MAR 93

02 DEC 92
 WASHINGTON WING

TYPE MFG	ACFT MODEL NUMBER	N	SERIAL NUMBER	SRCE CODE	CURRENT VALUE	REF YEAR	YEAR MFG	YEAR ACQ	R G	QUARTERLY CHARTER PREMIUM	REMARKS
CSNA	U206	N206JC	U20605765	AF	87,000		80	87	8	46001	272
SCHW	2-22CK	N3907A	66	LP	7,000		58	90	8	46002	22
CSNA	182	N4783N	18267366	AF	65,500		80	87	8	46046	205
CSNA	172	N5154D	17272436	OT	33,500		79	79	8	46020	105
SCHW	2-33A	N5720S	65	PD	7,000		62	85	8	46004	22
CSNA	182RG	N6332T	R18201984	DA	107,000		84	87	8	46009	334
CSNA	172XP	N758NE	R1723222	AF	41,500		80	86	8	46020	130
CSNA	182	N9300G	18260840	LP	41,500		74	86	8	46031	130
CSNA	182	N9322X	18268490	AF	98,000		85	90	8	46027	306
CSNA	182	N9506X	18268541	DA	98,000		85	87	8	46019	306
CSNA	182	N9926E	18268472	AF	98,000		85	91	8	46017	306
					684,000						2,138

11

PLEASE SIGN AND RETURN ORIGINAL WITH PREMIUM TO HQ CAP/FM BY 1 JAN 93
 PLEASE ENSURE THIS INVENTORY IS CORRECT. IF INCORRECT JUSTIFY BY CAP FORM 37 REGION/WING CC OR REPRESENTATIVE.

SOURCE CODES

- DD DEPARTMENT OF DEFENSE EXCESS AIRCRAFT
- DP DEPARTMENT OF DEFENSE RESOURCES
- LP LOCAL PURCHASE
- PD PRIVATE DONATION
- SD STATE DONATION
- SL STATE LOANED
- OT AIRCRAFT PROCURED WITH MORE THAN ONE TYPE OF FUNDS
- LD LEASED
- AF APPROPRIATED FUNDS
- DA APPROPRIATED FUNDS FROM CUSTOMS
- CD CUSTOMS DONATION