

CATO 17-34 – Local Support Allocation – Cadet Corps/Squadron

BACKGROUND

1. The Local Support Allocation (LSA) was approved by Directorate Financial Policy and Procedures (DFPP) in 2006 as a replacement for the Cadet Contingency and Band Grants established under articles 7.20 and 7.21 of QR (Cadets) and under section 2 of CFAO 210-32.

RATIONALE

2. The rationale for the LSA is as follows:

- a. IAW the Memorandum of Understanding (MOU) between the Department of National Defense (DND) and the Navy League, Army and Air Cadet Leagues of Canada, local corps/sqn sponsoring committees are responsible for funding optional training and for providing administrative support not provided by the Canadian Armed Forces (CAF); and
- b. the CAF accepts to provide financial relief to offset eligible expenditures made by the local corps/sqn sponsoring committees in their support of the cadet corps/sqn upon presentation of receipts, as determined by the Director Cadets & Junior Canadian Rangers (D Cdts & JCR).

ELIGIBLE LSA EXPENDITURES

3. For each fiscal year (FY) a cadet corps/sqn will be entitled to financial relief to offset the following eligible LSA expenditures made by the corps/sqn sponsoring committee:

- a. **Category 1 - Optional Training Activities**: eligible expenditures in support of approved optional training activities for cadets including but not limited to:
 - (1) musical instruments, music accessories and maintenance,
 - (2) training aids and equipment,
 - (3) maintenance of training aids and equipment,
 - (4) transportation,
 - (5) rations,
 - (6) temporary accommodations,
 - (7) temporary facilities,
 - (8) entry fees, and

- (9) any reasonable expenditures in support of approved optional training activities for cadets;
- b. **Category 2 - Optional Physical Activities:** eligible expenditures in support of encouraging and enabling more optional physical activities for cadets including but not limited to:
- (1) purchase / rental / maintenance of fitness and sports equipment or training aids,
 - (2) rental of fitness and sports facilities,
 - (3) registration / entrance fees for optional physical activities (eg, ski day, Army Run),
 - (4) fitness-related instructional services (eg, fitness-related training / courses / qualifications / certifications), and
 - (5) any reasonable expenditures in support of optional physical activities; and
- c. **Category 3 – Administrative Support:** eligible expenditures in support of the administration of the cadet corps/sqn, not provided by the CAF, but limited to the following:
- (1) facilities for cadet corps/sqn,
 - (2) electricity,
 - (3) telephone,
 - (4) pens, paper and supplies, and
 - (5) any reasonable expenditures in support of the administration of the cadet corps/sqn, not provided by the CAF.

NON ELIGIBLE EXPENDITURES

4. The following cadet corps/sqn expenditures are not eligible to be claimed with the LSA:
- a. contributions to Provincial or National Leagues, or any other fees based on the number of cadets in a cadet corps/sqn; and
 - b. expenditures incurred for gifts and testimonials.

FINANCIAL RELIEF

5. The maximum financial relief will be calculated based on the official number of cadets in the cadet corps/sqn published in the latest annual Youth Programs Statistics Report (YPSR), as follows:
- a. a total sum of \$600.00 plus \$15.00 per cadet for eligible LSA expenditures in both category 1 and 3; plus

- b. an additional \$30.00 per cadet exclusively for eligible LSA expenditures in category 2.

NOTE: upon the formation of a new cadet corps/sqn not accounted in the YPSR, the Regional Cadet Support Unit (RCSU) will determine the appropriate entitlement and request additional LSA from D Cdts & JCR.

6. The allocation identified in para 5b is to encourage and enable more optional physical activities for cadets. This incremental financial support is intended to target the cadet program aim to promote physical fitness and will help mitigate some of the top impediments to conducting training identified by corps / squadrons, including lack of equipment / training aids, lack of access to facilities, and lack of staff / instructors. This incremental financial support shall only be used for expenditures outlined in para 3b.

LSA FUNDING

7. Funding devolution to the RCSUs will be allocated via the Business Plan process at the beginning of each FY. The RCSU is responsible for ensuring the full allocation is expended by the end of each FY. The LSA can be used to support the training year (TY) ending in Jun, beginning in Sep of the FY, or both.

8. The RCSU will put in place a mechanism for allocating funds and for capturing LSA expenditures of each cadet corps/sqn, normally through the use of internal orders, using the general ledger (GL) 12113, which has been established exclusively for the LSA.

LSA PROCESSING

9. RCSUs are responsible for determining the most appropriate method of processing the LSA depending on circumstances applicable to each cadet corps/sqn.

10. The issuance of articles or goods, that meet the definition of eligible expenditures in para 3, of value comparable to that otherwise paid to the cadet corps/sqn is authorized under extraordinary circumstances, as determined by the RCSU.

11. Requests for LSA claims must be submitted through the commanding officer of the cadet corps/sqn and include the certification that the corps/sqn sponsoring committee is in agreement with that request.

12. LSA claims are payable only to the name of the cadet corps/sqn and shall never be made to the name of the corps/sqn sponsoring committee or the commanding officer. The RCSU is to set up unique vendor codes to the name of the cadet corps/sqn (i.e. RCACC 2920 Gatineau / RCSCC Falkland / RCACS 762) and LSA payment will be made to the cadet corps/sqn itself.

ADDITIONAL POLICY CLARIFICATION

13. To be clear, LSA expenditures made by the sponsor are for items for which the CAF is not responsible for. Therefore, sponsors are not making purchases on behalf of the CAF. The LSA is simply the method used by the CAF to provide financial relief to help offset some costs of the corps/sqn sponsoring committees for the support they provide to the cadet corps/sqn. Processing LSA claims IAW this policy is the specific transaction that must follow the Financial

Administration Act (FAA); particularly FAA Section 32 LSA expenditure planning and initiation, and FAA Section 34 LSA account verification.

14. This CATO shall not be used as a means to circumvent the normal CAF procurement procedures; for example, the RCSU cannot use the local sponsoring committee as an agent for purchasing goods or services that are clearly the responsibility of the CAF.

OPI: D/D Cdts & JCR

Date: Sep 13

Amendment: Ch 7/13