

LAUGHLIN AFB

PRIVATE

ORGANIZATION

HANDBOOK

PRIVATE ORGANIZATIONS

1. What is a Private Organization?

A private organization is a self sustaining special interest group, set up by people acting outside the scope of any official position they may have in the federal government. Private organizations operate on Laughlin AFB with the written consent of the installation commander or his/her designee.

2. Formation--Private Organization:

a. Is my group a Private Organization (“PO”)? If your group averages over \$1,000.00 in assets over a 3-month period, it must submit a written request to become a private organization (AFI 34-223, para. 1.1, attached hereto). The steps you should follow in order to establish a PO are set forth below. If your group does not fall into the above category than you must submit a written Request to become an Unofficial Organization.

- Assets is defined as all cash inventories, receivables, and investments.

b. How do I go about establishing a PO on Laughlin AFB? Submit a written Request to Establish a Private Organization (See sample request at Attachment 1), which must be accompanied by your PO’s written constitution and by-laws (See samples at Attachment 2). These documents must:

- i. Address the PO's nature, function, and classification;
- ii. Define membership eligibility;
- iii. List all anticipated sources of income;
- iv. Notify all members of their personal financial responsibility;
- v. Describe which officers within the PO are responsible for the PO's assets and liabilities, and for sound financial and operational management; and
- vi. Include specific guidance on, in the case of dissolution, how to dispose of assets remaining in the PO treasury after satisfaction of the PO's outstanding debts (See Dissolution below). (AFI 34-223, Para. 9).

c. I heard that private organizations have to get their own insurance, is this true? Yes, all PO’s must obtain liability insurance or a waiver of the insurance requirement from the installation commander (AFI 34-223 para 10.11). Attach the proof of insurance or your Insurance Waiver Request to your request to become a PO. (See sample Insurance Waiver Request form at Attachment 3). Note that if you are granted a waiver of the insurance requirement you must still obtain liability insurance for any activity that poses a risk of danger.

3. Dissolution--Private Organization:

To end a PO, the officers must:

- a. Notify Service Director of intent to dissolve and present a time-phased plan do dissolve;
- b. Pay all debts; and
- c. Dispose of residual assets only in the manner outlined in the constitution and by-laws. A PO may gift residual assets to the Air Force or a Non-Appropriated Fund Instrumentality (AFI 34-223, para. 9). (See, Sample Request for Dissolution at Attachment 4).

4. Prohibited Acts--Private Organization:

Below is a sample of the major prohibitions against POs. If you have any questions with respect to a particular activity please refer to AFI 34-223, and if that does not answer your question, forward your specific concern or question to 47 MSG/SVF, Laughlin AFB, TX.

- a. POs name, title or letterhead may not:
 - i. include the name or seal of the Department of Defense or any military Department
or military service (AFI 34-223, para. 10.1.1 and 10.1.2);
 - ii. include the seal, insignia, or other identifier of Laughlin AFB, without the approval of the installation commander (AFI 34-223, para. 10.1.4); nor
 - iii. the name (or material parts of the name) of any Air Force NAFI, e.g., Morale, Welfare, and Recreation (MWR Fund, Lodging fund, or Nightingale House Fund, etc. (AFI 34-223, para. 10.1.3).
- b. POs may not engage in activities that duplicate or compete with AAFES or Service activities or NAFI (AFI 34-223, para. 10.8).
- c. POs may not sell alcoholic beverages (AFI 34-223, para. 10.10).
- d. POs may no conduct games of chance, lotteries or other gambling-type activities. (AFI 34-223, para. 10.15.2). Raffles may be conducted by POs on an infrequent basis with the approval of the installation commander (See, Attachment 6).
- e. POs may not discriminate on the basis of race, color, sex, marital status, age, religion, national origin, political affiliation, or physical handicap (AFI 34-223, para. 10.2).
- f. POs may not solicit funds for their organization on base (AFI 34-223, para. 10.15.1).

5. Fundraising--Private Organization: See attachment 5.

6. Financial Matters--Private Organization:

a. POs must prepare one type of financial statement, an income-and-expense statement, either on an accrual or cash basis (AFI 34-223, para. 10.6.2). POs must also prepare a balance sheet that accounts for total assets of the POs financial condition (AFI 34-223, para. 10.6.3).

b. In addition, AFI 34-223, para. 10.7.1 - .3, requires that a PO perform the following action when its revenues gross the following amounts..

<u>Gross Revenues</u>	<u>Action Required</u>
\$250,000 or more	Annual audit by a Certified Public Accountant (CPA)
\$100,000 - \$250,000	Annual financial review conducted by an accountant (CPA not required)
\$5,000 - \$100,000	Must submit an annual financial statement to the Recreational Support Flight Chief

c. POs desiring tax exempt status must file an application with the IRS and Texas Department of Revenue.

Attachment 1-- Request to Establish a Private Organization

MEMORANDUM FOR *47 MSG/SV*
 47 FTW/JA
 47 MSG/CC
 IN TURN

FROM: _____

SUBJECT: Request to Establish a Private Organization

1. IAW AFI 34-223 para. 6,1 hereby request that the _____(organization's name) be granted Private Organization (PO) status.

2. The _____'s (PO's name) purpose is to: _____

3. The _____ (PO's name) will raise money by: _____

4. The _____'s (PO's name) membership will consist of: _____

5. I have read AFI 34-223 in its entirety and have attached my organization's proposed constitution and by-laws.

6. _____ (PO's name) has (has not) obtained adequate liability insurance as required by AFI 34-223 para. 10.11. A request for an insurance waiver is (is not) attached.

7. The POC for the _____ (PO's name) is _____
_____. His/Her duty address and phone are: _____

Signature of Organization President

Attachments:

1. Proposed Constitution
2. Proposed By-Laws
3. Proof of Insurance (Insurance Waiver Request)

CONSTITUTION FOR

(PO's name)

ARTICLE 1: NAME AND AUTHORITY

The name of this organization is _____ and will hereinafter be referred to as _____. It is a Type _____ private organization and will operate on Laughlin AFB pursuant to the provisions of AFI 34-223, Private Organization on Air Force Installations. This PO shall be self-sustaining and is not an instrumentality of the United States. It operates on Laughlin AFB only with the consent of 47 FTW/ CC. Operation of the PO is contingent on compliance with the requirements and conditions of all applicable Air Force regulations or instructions.

ARTICLE 2: PURPOSE

The purpose of _____ (PO's name) is to _____

(This paragraph should be a short and concise).

ARTICLE 3: MEMBERSHIP

A. The membership of this PO may be liable, jointly and severally, under the laws of the State of Texas for the PO's organizational debts in the event the PO's assets are insufficient to discharge liabilities.

B. Membership and related actions based on race, color, religion, color, sex, age, or national origin is prohibited.

C. The membership of this PO is open to: _____

(membership must be primarily limited to members of the DoD family).

D. Individual may apply for membership by _____

(explain application process or other affirmative action required for membership).

E. Continuing membership is based upon an (annual/seasonal) enrollment commencing _____.

F. Membership can be terminated by resignation, failure to pay dues, and _____

G. Membership can be reinstated by application in writing to _____

_____ for consideration.

ARTICLE 4: OFFICERS

A. The officers of the _____ (PO's name) shall consist of President, Vice-President, Secretary, Treasurer and _____

(other officers optional). The duties of the officers are outlined in _____ 's (PO's name) By-laws at Paragraph __ Section __.

B. The Executive Board shall consist of the officers plus

ARTICLE 5: MEETINGS AND ELECTIONS

A. General Membership Meetings will be held _____

B. A General Membership Meeting will be held annually for the purpose of electing officers. Procedures for nomination and election of officers are outlined in Article __ Paragraph __ of _____ 's (PO's name) By laws.

C. A quorum of members is required before taking any action at any meeting. A quorum for the Executive Board Meetings is defined as ____ percent of the Executive Board being present and for the General Membership Meetings as _____ percent of the general membership being present..

ARTICLE 6: FINANCES

A. The _____ (PO's name) shall be financed primarily through

_____ (types of activities).
All fundraising activities will be approved in advance by 47 MSG/CC through 47 MSG/SV and 47 FTW/JA.

B. The _____ (PO's name) will not engage in any activities that compete with those of AAFES or any NAFI.

C. The _____ (PO's name) will not engage in on-base resale activities unless specific written authorization has been obtained from 47 MSG/CC.

D. The _____ (PO's name) will comply with al local, state, and federal laws, including tax laws.

E. Members of the _____ (PO's name) do not have proprietary rights in the club's assets and income will not accrue to individuals.

ARTICLE 6: ACTIVITIES

(Provide a general description of the types of activities that the PO will undertake).

ARTICLE 8: AMENDMENTS

Amendments to this constitution may be submitted by any member in good standing by _____

(describe how to submit amendments). At the earliest possible date, the proposed amendment will be presented to the general membership with at least ___ days advance notice of the General Membership Meeting. To pass, the amendment must obtain a majority vote of the members present and is subject to final review by 47 FTW/CC.

ARTICLE 9: DISSOLUTION

In case of dissolution of the organization, the funds in the _____ 's (PO's name) treasury at the time of dissolution will be use to satisfy any outstanding debts, liabilities, or obligations. The balance of these assets will be disposed of by giving the assets to

_____. (See AFI 34-223 paras. 9.4 & 12 for guidance).

ARTICLE 10: INSURANCE

Liability insurance has been purchased in the amount of \$_____. This amount is sufficient to cover personal injury and property damage claims and is commensurate with the risk involved in organizational activities. When special events are scheduled that increase the

insurable risk, additional insurance will be obtained.

OR

A waiver of the liability insurance requirement has been requested from 47 FTW/CC. (To request for waiver of the liability insurance requirement, fill out the Waiver Request Form at Attachment 3).

Signature
President

Date

Recommend Approval/Disapproval

Chief, 47th Services Division

Date

Recommend Approval/Disapproval

47th FTW/Judge Advocate

Date

Recommend Approval/Disapproval

Commander, 47th Mission Support Group

Date

Approved/Disapproved

Commander, 47th Flying Training Wing

Date

BY-LAWS OF

(PO's Name)

ARTICLE 1: DUTIES OF OFFICERS

A. The President:

- is the officer with final responsibility over all of the _____ 's (PO's name) affairs and dealings;
- presides over meetings of the general membership and Executive Board;
- is responsible to ensure the _____ 's (PO's name) Constitution, By-laws, and authorization are reviewed annually and are consistent with Air Force policies, as amended;
- calls meetings of the Executive Board;
- signs checks in absence of the treasurer;
- _____; and
- _____.

B. The Vice President:

- performs duties as assigned by the President;
- assumes the duties of the President if the President is unavailable;
- _____; and
- _____.

C. The Treasurer:

- is responsible for all financial dealings;
- signs checks and makes authorized disbursements;
- establishes a system for the protection of club assets and ensures that liabilities do not exceed income;
- creates annual financial report and forwards that report and a current list of the PO's officers and their phone numbers and addresses to 47 MSG/SVF;
- maintains records of all financial transactions, financial status and other records of the _____ (PO's name) as required by AFI 34-223 and the USAF Services Private Organization Handbook;
- _____; and
- _____.

D. The Secretary:

- records and distributes minutes of all meetings;
- furnishes copies of financial reports to Services in a timely manner
- _____; and
- _____.

ARTICLE 2: ELECTIONS AND VOTING

The Executive Board shall be elected for a _____ term by a majority vote at and a General Membership Meeting. Terms of office will run from _____ to _____. A vacancy of the Presidency shall be filled by the Vice President. Any other vacant office with an unexpired term of three months or less may be filled by appointment of the Executive Board. A vacant office, other than that of the President, with unexpired terms of more than three months shall be filled by election at a General Membership Meeting. Nominations for office may be made by committee, but additional nominations will be accepted from the floor. Any Executive Board member who fails to fulfill his/her duties and responsibilities can be removed from office by a majority vote of the executive committee.

ARTICLE 3: DUES

(List dues requirements).

ARTICLE 4: STANDING COMMITTEES

(List standing committees, if any, i.e., Audit Committee whose duty is to audit the Treasurer's account)

ARTICLE 5: AMENDMENTS

These By-laws shall be amended and/or adopted by a __ percentage vote of the general membership at any regular or special General Membership Meeting, provided that notice of the proposed amendment has been given to the general membership at least __ days prior to the meeting. Any amendment(s) to the Bylaws are subject to final approval by 47 FTW/CC.

Attachment 3--Request for Waiver of Liability Insurance

MEMORANDUM FOR 47 MSG/SV
 47 FTW/JA
 47 MSG/CC
 47 FTW/CC
 IN TURN

FROM: _____

SUBJECT: Request for a Waiver of Liability Insurance

1. IAW AFI 34-223, para. 10.11, the _____ (PO's name) requests that the liability insurance requirement for Private Organizations be waived.
2. The _____ (PO's name) understands that a waiver of the insurance requirement does not insulate or protect the private organization or its members from valid claims or successful suits.
3. The _____ (PO's name) understands that although its day-to-day activities may not present a risk great enough to merit liability insurance, that it is required to obtain insurance should it conduct any activity that increases the degree of risk or liability exposure.

Attachment 4--Request for Dissolution

MEMORANDUM FOR 47 MSG/SV
47 FTW/JA
47 MSG/CC
47 FTW/CC
IN TURN

FROM: _____

SUBJECT: Request for Dissolution of _____ (PO's name)

1. At a meeting of the general membership of _____ (PO's name) held on _____ (date), it was decided by a vote margin of ____ to ____ to request dissolution of the organization. The reasons for this request are: _____

_____.

2. IAW AFI 34-123 para. 12 and as President of _____ (PO's name), I request approval to dissolve our organization in accordance with provisions of our Constitution and By-laws. We plan to distribute our assets as follows: _____

_____.

3. We plan to settle our liabilities as follows: _____

_____.

4. Attached is a copy of our closing bank statement.

5. The POC for this dissolution is _____. His or her duty phone and address are _____.

Attachment:
Closing Bank Statement

UNOFFICIAL ACTIVITY

1. What is an Unofficial Activity?:

An Unofficial Activity is similar to a private organization (“PO”), because it is defined as any self sustaining special interest group, set up by people acting outside the scope of any official position they may have in the federal government. However, unlike POs they do not average over \$1,000.00 in assets (cash inventories, receivables, and investments) over a 3-month period. Yet, like POs, an Unofficial Activity operates on Laughlin AFB with the written consent of the installation commander or his/her designee.

2. Formation--Unofficial Activity:

- a. If the entity has assets under the amount that requires it to become a PO (i.e., \$3,000 over a 3-month period), the activity may be conducted as an Unofficial Activity.
- b. A unit desiring to operate an Unofficial Activity must complete an Application to Conduct an Unofficial Activity (See sample Application, Attachment 1) and submit it through 47 MSG/SV, 47 FTW/JA and 47 MSG/CC to 47 FTW/CC for approval

3. Continuing Duties--Unofficial Activity:

- a. If an Unofficial Activity's assets average \$1,000.00 over a 3-month period, the Activity must become a PO, discontinue base operations, or reduce its current assets below the threshold amount. AFI 34-223 para. 1.1.
- b. Financial Reporting Requirements: An Unofficial Activity must comply with the same fund-raising guidelines as do Private Organizations.
- c. While these Unofficial Activities generally include unit snackbars and coffee funds, these activities must not compete with blind vendors.
- d. Unofficial Activities must comply with all local, state, and federal laws, including food handling and tax laws.

4. Prohibited Acts--Unofficial Activity:

Below is a sample of the major prohibitions against Unofficial Activities. If you have any questions with respect to a particular activity please forward your specific concern or question to 47 FTW/JA, Laughlin AFB, TX.

Unofficial activities may not:

- a. in their name, title or letterhead:
 - i. include the name or seal of the Department of Defense or any military Department or military service;
 - ii. include the seal, insignia, or other identifier of Laughlin AFB, without the approval of the installation commander; nor
 - iii. the name (or material parts of the name) of any Air Force NAFI, e.g., Morale, Welfare, and Recreation (MWR Fund, Lodging fund, or Nightingale House Fund, etc.;
- b. engage in activities that duplicate or compete with AAFES or Service activities or NAFI;

- c. sell alcoholic beverages;
- d. conduct games of chance, raffles, lotteries or other gambling-type activities; and
- e. discriminate on the basis of race, color, sex, marital status, age, religion, national origin, political affiliation, or physical handicap.

Attachment 1 --Application to Conduct an Unofficial Activity

MEMORANDUM FOR 47 MSG/SV
47 FTW/JA
47 MSG/CC
IN TURN

FROM: _____

SUBJECT: Request to Conduct an Unofficial Activity

1. I hereby request that the _____ (unit's name) be allowed to operate an Unofficial Activity. This Unofficial Activity will be called _____.

2. It is anticipated that the _____ (Unofficial Activity's name) will have average assets of less than \$1,000 over any three-month period.

3. The _____'s (Unofficial Activity's name) purpose is to:

_____.

4. Funds to support the _____ (Unofficial Activity's name) will come from: _____.

5. The responsible officer for the _____ (Unofficial Activity's name) is: _____
His/Her duty address and phone are: _____.

6. I am aware of and will follow the financial disclosure requirements for operating an Unofficial Activity. I am also aware that this Activity must comply with all local, state, and federal laws, including tax laws.

7. I have (have not) obtained liability insurance to cover this activity.

Attachment 6--RAFFLES

IAW AFI 34-223 and DoD 5500.7-R, Joint Ethics Regulation, Private Organizations which are composed primarily of DoD personnel or their family members may conduct fund-raising raffles on an Air Force installation on an occasional, infrequent basis when authorized in advance, in writing by the installation commander or designee. All requests to conduct raffles on Laughlin AFB will be submitted to 47 MSG/CC through 47 MSG/SV and 47 FTW/JA (See sample request form attached as Attachment 6a).

The following limitations applies to all raffles:

1. Raffles must be approved in writing by the installation commander or designee.
2. Raffles may not violate local, state or federal law(s).
3. Raffles must be for the benefit of DoD personnel or their family members.
4. Raffles may not be for purely social , recreational, or entertainment purposes which benefit only individual PO members and/or their family members, such as to underwrite the cost of a weekend ski trip, a sight-seeing tour or a shopping excursion.
5. Raffles may not be used for raising funds for local or national groups whose funds would not benefit predominantly DoD employees or dependents.
6. Raffles may not be used for raising funds for local or national groups who receive funds from CFC or AFAF.
7. The raffle request must identify the purpose for which funds are being raised and the intended beneficiaries of the proceeds. They must also identify how the PO will ensure the proceeds are used only for the purpose and those beneficiaries.
8. Raffles may not be conducted in the workplace.
9. Raffles may be conducted in public entrances and in community support facilities, such as the lobby of the BX, however prior approval of the installation commander or designee is required.
10. Raffles may not be conducted by military members or civilian employees during their duty time. As such military members may not conduct raffles while in uniform at any time.

Attachment 6a--REQUEST TO CONDUCT A RAFFLE

MEMORANDUM FOR 47 MSG/SV
47 FTW/JA
47 MSG/CC
IN TURN

FROM: _____

SUBJECT: Request to Conduct a Fund-raising Raffle

1. IAW AFI 34-223, para 10.16 I hereby request that the _____ (PO's name) be allowed to conduct a fund-raising raffle on Laughlin AFB. [I also request permission to conduct this raffle at the _____ (state any public entrance or community support facility your PO wishes to conduct the raffle at)]

2. It is anticipated that this raffle will generate _____ (amount of money) for the benefit / defray the cost associated with / purpose of _____. The proceeds from this fund-raiser shall be set aside for this purpose by _____ (identify how proceeds will be only used for purpose and beneficiaries).

3. I am aware of all the limitations with respect to raffles set forth in AFI 34-223, para 10.16 and DoD 5500.7-R, Joint Ethics Regulation, including the prohibition against military members or civilian employees conducting raffles during duty time or in uniform and will make certain that the members of the _____ (PO's name) follow these requirements.

4. I am also aware that this raffle must comply with all local, state, and federal laws. I am not aware of any law that prohibits this raffle.

5. The responsible officer for the _____ (raffle) is: _____
His/Her duty address and phone are: _____.

Attachment 5--FUND-RAISERS

- Fund-raisers and any form of advertisement for a fund-raiser on Laughlin AFB may only be conducted with the prior written approval of the Installation Commander (See, Sample Request to Conduct a Fund-Raiser, at Attachment 6a).
- The USAF authorizes only two on-the-job fund-raisers: the Combined Federal Campaign (“CFC”) and Air Force Assistance Fund (“AFAF”). The following rules do not apply to these two fund-raisers (i.e., military members soliciting for these two campaigns may do so in their uniform).
- Fund-raisers may not imply DoD or USAF or Laughlin AFB endorsement.
- Fund-raisers may not be conducted in the workplace.
- Fund-raisers may not be conducted by military members or civilian employees during duty time. Military members may participate in fund-raisers in their personal capacity and as such may not wear their uniform when participating in a fund-raiser.
- Fund-raisers may not be conducted door-to-door in base housing.
- DoD employees may not solicit funds or support from subordinates or use their official titles or position to further any fund-raising effort.
- Fund-raisers may not solicit donations for organizations that receive money under CFC or AFAF.
- Fund-raising activities shall not use Non-Appropriated fund cash or other assets.

Attachment 5a--REQUEST TO CONDUCT A FUND-RAISER

MEMORANDUM FOR BLDG. CUSTODIAN
47 MDG/SGPM
47 FSS/SVF
47 FSS/CD
47 FTW/JA
47 MSG/CC
47 FSS/SVF
IN TURN

FROM: _____

SUBJECT: Request to Conduct a Fund-Raiser

1. IAW AFI 34-223, para 6.3 and AFI 36-3101, para 18, _____ (Name of Private Organization or Unofficial Activity) requests permission to conduct a fund-raiser (and to advertise said fund-raiser) on Laughlin AFB, as described below.

a. Type (car wash, sausage sale, burger burn, etc.) _____

b. Location: _____

c. Date: _____ Time: _____

d. Is sponsoring activity an approved private organization? YES NO

e. Proceeds will be utilized for: _____

f. Is liability insurance available for high risk activities? YES NO

If so, name of company and amount? _____

2. I understand that the following policies apply:

a. Written request must be coordinated with the appropriate agencies listed above.

b. All fund-raising events are subject to no-notice inspections.

c. Fund-raiser will not duplicate or compete with 47 FSS/CD or AAFES resale activities.

d. Fund-raiser will not involve selling of alcoholic beverages.

Signature of Sponsor/Phone Number

Signature of Commander or Organization President

1st Ind, 47 MSG/CC

TO: _____

Liability insurance is required: YES NO

Approved/Disapproved.

ROGER D. THRASHER, Colonel, USAF
Commander

cc: 47 FSS/SVF

PRIVATE ORGANIZATION / UNOFFICIAL ACTIVITY PACKAGE

PRIVATE ORGANIZATION:

- General Information
 - What is a Private Organization
 - Formation
 - Dissolution
 - Prohibited Acts
 - Financial Matters
 - Fund-Raisers (Attachment 5)
 - Accountability of Private Organizations for Fund-Raising Revenues (Attachment 5b)
 - Raffles (Attachment 6)

- Forms
 - Request to Establish a Private Organization (Attachment 1)
 - Sample Constitution and By-Laws (Attachment 2)
 - Request for Waiver of Liability Insurance (Attachment 3)
 - Request for Dissolution (Attachment 4)
 - Request to Conduct a Fund-Raiser (Attachment 5a)
 - Request to Conduct a Raffle (Attachment 6a)

- AFI 34-223, *Private Organization Program*

UNOFFICIAL ACTIVITY:

- General Information
 - What is an Unofficial Activity
 - Formation
 - Continuing Duties
 - Accountability of Private Organizations for Fund-Raising Revenues
 - Food Sales in buildings in which a Blind Vendor Operates
 - Prohibited Acts

- Forms
 - Request to Establish an Unofficial Activity (Attachment 1)

- AFI 36-3101, *Fundraising Within the Air Force*