



417th

Base Support Battalion

Commander's Policy

Policy Number: 7-5

AETW-WG-WJ

Date: 01 July 2004

SUBJECT: Private Organizations

1. REFERENCE: Army Regulation (AR 210-22) Private Organizations on Department of the Army Installations, Army in Europe Regulation (AE Reg. 210-22) Private Organizations and Fundraising Policy, 98th ASG MOI for Fundraising by Private Organizations and Informal Funds.

2. PURPOSE: This letter prescribes policy and principles governing the establishment, administration and operation of Private Organizations (POs).

3. SCOPE: This policy applies to all POs established and operating in the 417th Base Support Battalion (BSB). A PO is a self-sustaining, non-Federal entity, incorporated or unincorporated, established on Army installations with the written consent from the area support group (ASG) or delegated base support battalion (BSB) commander responsible for the installation or individuals acting exclusively outside any official capacity as officers, employees, or agents of the Federal Government.

4. POLICY:

a. POs conducting their activities within the 417th BSB on a continuing basis must obtain the written consent of the BSB Commander or delegated authority. Approved POs are entitled to banking privileges.

(1) Informal organizations (i.e., cup and flower funds, coffee funds, Family Readiness Groups, Unit support groups) may request military banking privileges with approval of the Unit Commander and are not considered as POs. However, when fundraising, they must comply with reporting requirements, JER restrictions and legal review.

(2) Religious organizations that make and manage funds, and are not a part of the Department of the Army Chapel Program, must receive approval to operate as a PO. The request must include a Community Chaplain endorsement letter and a statement indicating in details the use of funds.

(3) Scouting organizations must receive approval to operate as a PO and submit the following documentation:

(a) A letter of standing from the parent organization.

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(b) A copy of the parent organization's constitution and bylaws, accompanied by a statement that the local troop has adopted the parent organization's constitution and bylaws without change.

(c) A statement concerning the scope of local activities.

(4) At least 51 percent of PO members must have SOFA status. Groups that consist primarily of host nation personnel will not be approved to operate as POs, are not authorized use of military banking facilities and are restricted from conducting any fund-raising activity within or upon a military installation.

b. Authorization to operate in a military community in USAREUR is granted for two years. Military banking privileges are only granted after approval.

c. Requests for renewal of authorization to operate must be submitted 90 days prior to the current authorization expiration date.

d. Applications for approval and biennial renewal will include the following documents:

(1) Two copies of the approved constitution and bylaws, or other chartering documentation.

(2) One copy of the annual audits of the previous two years (for renewals only).

(3) List of organization's officers with addresses, telephone numbers and e-mail addresses.

(4) A summary of any major changes in the organization or operation (for renewals only).

e. Upon approval as a PO, the following documents must be submitted to the 98th Area Support Group ATTN: AETV-WG-J (FMD) ATTN: PO Coordinator Unit 26622 APO AE 09244 on a regular basis:

(1) A copy of the approved membership meeting minutes after each regular or special meeting.

(2) One copy of monthly/quarterly signed financial statements.

(3) Organizations with gross annual revenue of \$1,000 or more will arrange for an audit at least once every 2 years and upon change of treasurer, regardless of the time elapsed since the last audit. I strongly encourage each organization to conduct an annual audit with gross annual revenue of \$1,000 or more. Each PO is responsible for obtaining audits and paying the associated costs. Qualifications, addresses and phone numbers of auditors must be documented on the audit report.

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(4) An updated officers' list with addresses, telephone numbers and email addresses.

(5) Organizations handling monthly cash flow exceeding \$500 are required to obtain bonding insurance.

(6) The President and Treasurer must attend the annual PO briefing conducted by the Private Organizations Coordinator.

f. The approving authority may withdraw approval at any time and close the organization's bank account if the organization does not comply with the above requirements. Residual assets will be disposed in accordance with the dissolution statement in the constitution and bylaws, or as directed by the approving authority

g. Authorized Activities:

(1) Organization activities will be limited to those provided for in the approved constitution and bylaws.

(2) Expenditures will be limited to those required in support of the activities listed in the constitution and bylaws.

(3) There is no more minor-major fundraising for POs. Please see 98th ASG MOI on Fundrasing for POs and IFs.

(4) Fund-raising activities are those open to both PO members and non-members and can be held only with prior written approval of the BSB Commander or delegated authority. Submit requests to the 98th Area Support Group ATTN: AETV-WG-J (FMD) ATTN: PO Coordinator Unit 26622 APO AE 09244, at least two weeks prior to the event. There is no limit to the number of fundraisers an approved PO may request. POs are responsible for arranging facility use and contacting the appropriate facility manager and AST Commander prior to submission of the request, and any other required coordination (for example, veterinary services, preventive medicine personnel or both for sanitary inspections).

(a) When fund-raising raffles or bingos are conducted, participation is limited to members of the U.S. Forces and persons 18 years and older. The PO must comply with AE Reg.210-22 and 98th ASG MOI on Fundraising.

(b) Fund-raising activities will not interfere or compete with MWR activities.

(c) Fund-raising activities will not be conducted in areas outside the military installation.

(d) Requests for fundraising must be reviewed by the Staff Judge Advocate

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(e) An after action report must be submitted to the 98th ASG, PO Coordinator, within 45 days after the fund-raising event. Failure to submit will delay approval of any future fund-raising requests. Total funds earned must be in the after action report as well as to where/whom the 70% donations are going.

h. Resale Activities:

(1) At the discretion of the installation commander, POs may conduct nonprofit resale when sales are not in competition with the Army and Air Force Exchange Service or installation NAFIs. Such resale may be made only to individuals with SOFA status on U.S. Forces installations. Thrift shops and other community or welfare oriented resale activities may be authorized only if the shop is operated by an established PO and the operations support only the resale of used items or handmade items that are donated or consigned to the shop. Thrift shops may not sell items supplied by commercial vendors. Consignors may not sell goods made with components obtained duty-free through an Army post office (APO) or within 6 months after purchase from an AAFES facility.

(2) A PO operating primarily as a venture, solely to make group purchases, savings or to increase the organization wealth or membership, is prohibited.

i. Use of Army Resources:

(a) POs will not use Army services. This includes legal, audit, transportation, postal, printing, information management activities, clerical, financial, copying, management, and procurement services.

(b) Army authorities may allow organizations to use Army real estate under license or lease agreements per AR 405-80 and DOD 5500.7-R. ASG or delegated BSB Commander may grant the use of space and facilities for PO meetings without charge on an occasional, part-time, or full-time basis. This permit may allow storage of equipment and supplies, and shall be coordinate with the local directorate of public works.

(c) The SJA office will review all PO requests for legal sufficiency before any support is granted to a PO.

j. Equipment Repair. Appropriated or Non-Appropriated funds will not be used to repair PO owned equipment.

k. Tax Exemption Certificates. POs are subject to payment of Value Added Tax (VAT) for purchases made on the local economy. Limited VAT relief may be granted in accordance with AR 215-6.

l. Compliance With Host Nation Requirements. POs must comply with the tax laws of the country where they are located or operate and are responsible for obtaining private counsel on their obligations under HN law.

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I. BSB Commander or Delegated Representative Responsibilities. The BSB Commander, or delegated representative, will ensure each PO operates in compliance with existing regulations, to include the following:

- (a) Approve POs to operate in the community.
- (b) Conduct formal inspections/records audits when questionable situations arise.
- (d) Monitor and reviewing biennial renewal requests.
- (e) Withdraw authority to operate and closing military bank accounts if regulatory requirements and/or constitution and bylaws are not adhered to.
- (f) Review and approve fundraising requests.

5. **PROponent:** 417th BSB, Directorate of Community Activities at 355-1550.

THOMAS H. FASS
LTC, EN
Commanding