

dates for each PO to seek revalidation and will notify POs of these dates.

(d) *Installation review.* Installation commanders will review all PO documentation for both initial permission to operate and for revalidation of operating permits. Approval will be granted or denied based on this review. Approval of an initial or revalidation request will permit a PO to operate on the installation for 2 years. The installation commander may revoke permission to operate at any time during the 2-year period. Written approval will include a statement freeing the installation from any liability of the PO. Installation commanders' reviews of PO applications will ensure the following:

(1) PO income will not personally profit individual members, except through—

(i) Salaries as employees of the PO; or

(ii) Payment for services rendered.

(2) As an exception, the installation commander may authorize an investment club that satisfies all other provisions of this regulation.

(3) PO income will be used to pay operating expenses; expenses include charitable contributions by the PO and competitive awards to PO members or installation personnel.

(e) *Reporting requirements.* (1) POs will supply the following to the installation commander:

(i) Minutes of PO meetings. POs will submit minutes or summaries of meetings, if required by the installation commander.

(ii) Financial statements. POs with gross annual revenue of \$1000 or more will submit annual financial statements to the installation commander. (The installation commander may require more frequent submission.) Annually, installation commanders will send financial statements of POs whose gross annual revenue exceeds \$100,000 to their major Army command (MACOM).

(iii) A copy of audit reports.

(iv) A copy of tax status, if required.

(v) A copy of correspondence concerning applicability of State or local laws. (See § 556.13.)

(2) Installation commanders will keep a current file on each PO. It will contain the latest copy of—

(i) All reports submitted by the PO, as stated in paragraph (e)(1) of this section.

(ii) The PO's charter, constitution, bylaws, articles of agreement, and so forth. (POs will keep installation commanders informed of changes in officers or points of contact.)

(iii) The PO's request for a permit to operate or for revalidation, and a copy of the installation commander's letter of approval.

(iv) The PO checklist, contained in DA Circular 11-88-1, will be completed per guidance in AR 11-2.

(f) *Termination of PO operation.* A PO may be discontinued by—

(1) The membership; or

(2) The installation commander, who may withdraw permission to operate on the DA installation at any time.

§ 556.15 Recreational and educational POs.

Certain POs may operate on DA installations as extensions of APF or NAF recreational or educational activities. Such POs need not fulfill the procedural requirements of § 556.14, although they are subject to all other provisions of this regulation. The operation of these POs on the installation requires the approval of the installation commander, who will prescribe local guidance for them. Examples of these POs are—

(a) Bowling leagues, little league organizations, and other recreational POs supervised by the director of community recreation.

(b) Those POs formed and operated in conjunction with installation dependent schools under the administrative supervision of a member of the school faculty. (Examples include, but are not limited to, school drama clubs, year-book funds, language clubs, National Honor Societies, and Keyettes or Keys.)

§ 556.16 Standardized documentation.

(a) The national constitution, standard bylaws, charter, or articles of agreement of type 2 POs listed in table C-1 have been reviewed by CFSC-AE-P and found to meet all requirements of this regulation. Inclusion in this list does not imply official DA sanction, endorsement, or sponsorship of these

§ 556.16

POs. National headquarters of other type 2 POs may submit their national constitutions, bylaws, and so forth, for review and possible inclusion in table C-1 by sending a complete copy to Commander, CFSC, ATTN: AE-P, Alexandria, VA 22331-0507. Affiliated chapters of the POs listed in table C-1 may fulfill the requirements of § 556.14(b) by the following procedures:

(1) Local chapters will submit a letter to the installation commander requesting a permit to operate.

(2) The letter will contain—

(i) A statement of the charter's standing with the national organization.

(ii) A statement that the standard chapter bylaws prescribed by the national headquarters have been adopted without change. Any changes made by the local chapter will require review by the installation commander.

(iii) A statement of the intended scope and substance of chapter activities.

(3) Local chapters must also provide a copy of the national constitution, bylaws, charter, or articles of agreement. Installation commanders will use these in reviewing PO operations for compliance with the policies in § 556.8.

(b) While completing procedures in paragraph (a) (1), (2), and (3) of this section satisfies the requirements of § 556.14 (a) and (b) local chapters are still subject to revalidation and reporting requirements as contained in § 556.14 (c) and (e).

TABLE C-1.—TYPE 2 POS WITH DA-REVIEWED BYLAWS

Name of organization	Address of national headquarters	Federal tax exempt
Association of the United States Army.	2425 Wilson Boulevard, Arlington, VA 22201-3326.	Yes.

32 CFR Ch. V (7-1-98 Edition)

TABLE C-1.—TYPE 2 POS WITH DA-REVIEWED BYLAWS—Continued

Name of organization	Address of national headquarters	Federal tax exempt
Noncommissioned Officers Association.	International HQ Complex, P.O. Box 33610, San Antonio, TX 78265-3610.	Yes.
United States Army Warrant Officers Association.	P.O. Box 3765, Washington, DC 20007-0265.	Yes.
Society of Logistics Engineers.	303 Williams Avenue, Suite 922, Huntsville, AL 35801-6061.	Yes.
Armed Forces Broadcasters Association.	P.O. Box 12013, Arlington, VA 22209-0013.	Yes.
Veterans of Foreign Wars of the United States.	VFW Building, 406 West 34th Street, Kansas City, MO 64111-0001.	Yes.
Armed Forces Communications and Electronics Association.	4400 Fair Lakes Court, Fairfax, VA 22033-3899.	Yes.
Reserve Enlisted Association of the United States.	P.O. Box 2836, Washington, DC 20013.	Yes.
National Defense Transportation Association.	727 N. Washington Street, Suite 200, Alexandria, VA 22314-1976.	Yes.
American Military Members Association of the United States of America.	8610 Broadway, Suite 217, San Antonio, TX 78217-6354.	Yes.

FIGURE C-1. SAMPLE OF A FORMAT FOR BYLAWS

BYLAWS

ARTICLE I

Organization Name and Purpose

ARTICLE II

General Provisions

(Include all statements required by this regulation such as the statement of personal liability and licensing/registration of activities required by law [for raffles, insurance resale, and so forth]. Any documentation, such as a license or certificate of registration, should be attached and noted in this section.)

Department of the Army, DoD

§ 556.18

ARTICLE III
Policy

ARTICLE IV
Membership

ARTICLE V
Officers and Governing Body

ARTICLE VI
Duties of Officers

ARTICLE VII
Elections and Voting

ARTICLE VIII
Standing Committees

ARTICLE IX
Method of Financing

ARTICLE X
Taxes

ARTICLE XI
Insurance Coverage

ARTICLE XII
Meetings and Quorums

ARTICLE XIII
Activities

ARTICLE XIV
Awards and Gifts

ARTICLE XV
Dissolution

by installation commanders. (See Logistical Support and Services of this subpart) Funds will be obtained through dues, contributions, service charges, fees, or special assessment of members.

(b) Neither APFs nor NAFs are authorized to transfer any monies or other assets to any PO, including the Boy Scouts and Girl Scouts, by means of contributions, dividends, or other distributions, except as provided by statute. (See section 155, title 10, United States Code (U.S.C.) (10 U.S.C. 115).)

§ 556.18 Resale and fundraising activities.

(a) POs will not engage in on-post resale and fundraising activities unless the installation commander authorizes—

(1) Thrift shop sales of used clothing and used or handcrafted merchandise; net proceeds of such sales will be donated as specified in § 556.18(b)(2)(iii) of this section.

(2) Museum gift shop sales of items related to museum activities per AR 870-20.

(3) Occasional fundraising activities such as dances, car washes, cake raffles, bazaars, or other special events. All POs will comply with State codes requiring licensing for raffles; PO-sponsored raffles will not be permitted in States that prohibit them. Occasional sales for fundraising purposes within the continental United States (CONUS) will offer only the services and merchandise listed in AR 60-20, appendixes B and C.

(b) Exceptions to the continuing resale prohibition may be granted—

(1) By the installation commander as follows:

(i) Sales are restricted to PO members.

(ii) Merchandise sold is related directly to the purpose of the PO.

(iii) The Army and Air Force Exchange Service (AAFES) and other installation NAFIs state in writing an inability to meet the resale requirement.

(2) By major Army commanders as follows:

(i) Sales are not restricted to PO members and merchandise is not directly related to the PO's purpose.

(Include the following paragraph: "If the organization is dissolved, all funds in the treasury at the time will be used to meet any outstanding debts, liabilities, or obligations. The balance of these assets will be disposed of as determined by the membership.") Approved by Majority Vote on(date)

(Signed) _____
President _____
(Signed) _____
Secretary _____

Subpart D—Support and Services

FUNDING

§ 556.17 Overview.

(a) POs subject to this regulation will be self-sustaining except for limited logistical support that may be granted