



PRIVATE ORGANIZATIONS

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***Military members may only participate in fundraisers in their personal capacity and, may not wear their uniform when participating in a fundraiser.*

OVERVIEW

Private Organizations are self-sustaining special interest groups, set up by people acting exclusively outside the scope of any official capacity as officers, employees, or agents of the Federal Government. They operate on Air Force installations with the written consent of the installation commander. (AFI 34-223; DODI 1000.15)

SETTING UP A PRIVATE ORGANIZATION

A Private Organization must submit a written constitution, bylaws, or other similar documents, outlined in the PO Guidance Handbook, through the RMFC, Services Squadron Commander or Division Chief, and Staff Judge Advocate for consideration by the installation commander.

The constitution, bylaws, or similar documents must:

- (1) Address the nature, function, objectives, membership eligibility, and sources of income of the private organization.
- (2) Notify all members of their personal financial responsibility for obligations of the private organization.
- (3) Describe officer responsibilities for asset accountability, liability satisfaction, and sound financial and operational management.
- (4) Provide specific guidance on how extra income will be used.

OPERATING A PRIVATE ORGANIZATION

Installation commanders

Commanders have limited supervision over these organizations. Their control lies in the power to authorize and withdraw authorization for these organizations to operate on the installation. They ensure compliance with requirements, but do not control or dictate internal activities or structure.

Disclaimer

The organization must use the following disclaimer on all print and electronic media mentioning it's name: "This is a private organization. It is not a part of the Department of Defense or any of its components and it has no governmental status." It must also be provided in verbal communication and

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public announcements.

Income

The organization must be self-sustaining, primarily through dues, contributions, service charges, fees, or special assessments of their members. There will be no financial assistance to a private organization or unofficial activity/organization from a NAFI in the form of contributions, repairs, services, dividends, or donations of money or other assets.

Annual Audits

Certified Public Accountants (CPAs) perform annual audits of private organizations with gross annual revenues of \$250,000 or more. Accountants (CPA not required) perform annual financial reviews of organizations with gross annual revenues of \$100,000, but less than \$250,000. Organizations that have gross annual revenues of less than \$100,000, but more than \$5,000, normally are not required to conduct an independent audit or financial review. However, such private organizations must provide an annual financial statement, as outlined in the PO Guide, to the RMFC.

Insurance and Liability

All organization members must be aware that each member is individually responsible for the obligations of the organization. Thus, a private organization must have liability insurance to protect the organization members unless the Installation Commander waives the requirement.

Supplies and Equipment

The organization must furnish its own equipment, supplies, and other materials.

CLOSING A PRIVATE ORGANIZATION

When A PO decides to dissolve or shut down, it must do the following:

- (1) Use its funds to satisfy any outstanding debts, liabilities, or obligations.
- (2) Dispose of the residual balance as decided by the PO membership.
- (3) Notify the Services squadron commander or division chief of the intent to dissolve the PO and prepare a time-phased action plan to do so.

For further information see AFI 34-223, *Private Organizations Program*, and DoDI 1000.15