

DECIDE WHAT WORKS BEST FOR YOUR UNIT, ACTIVITY, OR ORGANIZATION

What is a private organization (PO)?

According to AFI 34-223, "POs are self-sustaining special interest groups, set up by individuals acting exclusively outside the scope of any official Air Force Duties. They operate on Air Force Installations with the written consent of the Installation Commander. POs are not Federal entities and are not to be treated as such." Paragraph 9 adds that DoD personnel CANNOT be on duty time to develop documents in support of PO's.

PO's can fundraise on or off base. PO's cannot solicit donations on base--except to their own members but may solicit gifts and donations off base, making it clear that they are not part of the Air Force and using the disclaimer statement. "THIS IS A PRIVATE ORGANIZATION. IT IS NOT PART OF THE DEPARTMENT OF DEFENSE OR ANY OF ITS COMPONENTS AND IT HAS NO GOVERNMENTAL STATUS."

PO's operate on Air Force installations with the written authorization of the 6 ARW Commander, 6 MSG Commander (authority having been delegated by the Commander, 6 ARW). The 6FSS/FSR acts as a liaison between Private Organization members, the Legal Office, 6th Force Support Commander and the 6th Mission Support Group Commander to establish the Private Organization.

➤ New Private Organizations are required to submit the following to 6 FSS/FSR for Approval

- Request to Establish Memo
- Request for Insurance Waiver or copy of Insurance Policy
- Letter of Liability Understanding
- Constitution/By-Laws
- List of current PO Officers
- Financial Liability Memo/Bank Statement/Budget Quarterly
- Meeting Minutes
- Existing Private Organizations
- Annual review / recertification request
- The constitution and by-laws need to be submitted every two years or when there is a change in purpose, function, or membership eligibility to get your private organization reviewed by the staff judge advocate and recertified IAW AFI 34-223 para. 9.3.
- The list of officers is due annually or when there is a change in officers, whichever comes first.
- Insurance liability waiver or liability insurance, letter of understanding, financial report, and meeting minutes are due annually.

POs must have liability insurance unless the installation commander waives the requirement. This waiver does not negate the PO's liabilities. The waiver says the PO does not normally conduct functions for which there is a danger of damage to property or individuals. In the absence of insurance the PO and their members assume the liability. Liability insurance should be required unless the activities of the PO are such that the risk of liability is negligible. Insurance waivers must be re-evaluated annually.

What are Unofficial Activities and Unit Unofficial Activities?

UA (Unofficial Activity) if there is not a unit commander to provide oversight

UAs=LOW MAINTENANCE FSS RELATIONSHIP—all fundraising requests start and stop with FSS. Provide annual financial documents to FSS

UUA (Unit Unofficial Activity) if there is a unit commander to provide oversight

UUA=LONG DISTANCE FSS RELATIONSHIP—all unit fundraising requests start and stop with unit CC. UUA's provide annual financial documents to unit CC. On base fundraising that goes outside the unit must be routed through FSS.

UA-requires a simple 1 page FSS registration / **UUA**-requires unit CC acknowledgement of responsibilities

Unofficial activities/organizations are small groups that are not required to be formally established as Private Organization because their current assets (including cash, investments, inventory and receivables) do not exceed a monthly average of \$1,000 over a three month period.

Unit commanders must weigh the benefit of having a UUA, a UA, or a PO. UA/UUA fundraising activities are considered "for us, by us" within the meaning of the JER.

JER Section 3-210(a) (6) defines "for us, by us" as:

- Federal entities
- Made up entirely of Department of Defense members and/or their dependents
- Funds raised must exclusively benefit the DoD community
- POs, regardless of unit affiliation or make-up, are **not** considered FUBU and are ALWAYS NON FEDERAL ENTITIES

UA's (and the newly defined subset called UNIT unofficial activities—UUA-- now have exceptions to financial limits. Units can increase threshold from \$1000 for 6 months when preparing for a large unit event (up to \$5,000 for no more than 6 months) and can also increase holdings for units over 300 people at the rate of \$100 for every 50 members over 300 (up to max. \$5,000).

EXAMPLE: a unit consisting of 400 people could hold \$1,000 plus an additional \$200 {\$100 for every fifty people over 300=\$200}. If saving for a unit party, 6 months of the year the unit can carry up to \$5,000 with approval. Value of assets on hand—even if for resale--no longer count toward financial limits

- **UA/UUA are required to;**
 - Financial oversight (annual review and 2 person cash control)
 - Fundraising approval/limitations
 - Provide and keep current 2 POCs on file with FSS

Government email can be used by UAs/UUAs to notify members of that unit/organization ONLY of meetings and fundraising events.

FUNDRAISING

What is UA/UUA Fundraising - "For Us By Us" ?

As a general rule, unofficial activities' fundraising efforts are considered "for us, by us", unless said fundraising extends beyond unit personnel and their family members

Unit commanders may approve UUA activity fundraisers on base (within the unit) and intended for unit personnel only.

UUA fundraising can be advertised using official communications systems (to unit members only) and allow unit personnel to fundraise while on duty as long as their participation does not interfere with the mission. Fundraising off base and soliciting on or off base is not allowed (as a Federal entity, remember THE GOVERNMENT DOES NOT FUNDRAISE!).

UA's fundraising require FSS approval. Within unit (UUA) fundraising requires only commander approval (still limited to 3 per quarter).

UAs and UUAs are **NOT** allowed to have raffles or games of chance.

Unofficial Activities **SHOULD**:

- Obtain approval from the unit commander in advance of the fundraiser if the fundraiser will only extend to the unit's personnel and family members.
- Obtain approval from 6 FSS in advance if the fundraiser will extend beyond the unit's personnel and family members. The approval process may take up to 20 business days.
- Select a fundraiser date outside of the Combined Federal Campaign and Air Force Assistance Fund campaigns (typically Oct-Dec and March-April). Limited exceptions may be granted.
- Ensure all participation is voluntary (Commanders/Supervisors should not act as sellers).
- Select a fundraising activity that does not duplicate or compete with an existing AAFES or 6 FSS Services operation (i.e. selling beverages outside of the Base Exchange)
- Obtain approval and/or training from Public Health if the fundraiser involves the sale of food.
- Maintain a two-person accountability system for all cash transactions.

Unofficial Activities **SHOULD NOT**:

- Conduct frequent or continuous resale activities (excludes unit souvenirs).
- Conduct fundraisers off-base.
- Solicit contractor employees to participate in your fundraiser.
- Advertise for, refer to, or encourage the use a specific off-base business.
- Sell or serve alcoholic beverages.

What are Private Organization rules for Fundraisers?

PO's are required to submit a fundraising request form to 6 FSS/FSR for approval. Allow at least 20 business days for the approval process and do not begin advertising until the request has been approved.

Some limitations to fundraising are as follows (not an all-inclusive list):

- a. Private Org must be in compliance with annual review requirements.
- b. The fundraising event will not be conducted during the Combined Federal Campaign or the Air Force Assistance Fund Campaign (unless MSG Commander approves).
- c. Will NOT be occur during duty hours in the work place. (Lunch hours are permissible).
- d. Government time, resources or letterhead will not be utilized.
- e. May not use government title or positions on any advertising.
- f. The event will not compete with AFFES or 6th FSS.
- g. Any sale of food will be coordinated through 6 ARW Public Health.
- h. The sale of alcoholic beverages is prohibited.
- i. Military personnel cannot participate while in uniform.
- j. Comply with AFI 36-3101, Fundraising in the Air Force.
- k. Conduct no more than three (3) fundraisers per quarter.

Under Air Force guidance raffles are allowed by POs only. All funds must directly benefit DoD personnel or their families and cannot be used to raise funds for charities or outside causes.

PO's are nonfederal entities and therefore they must adhere to State laws:

- AFI 34-223 10.20.3. Raffles must comply with State and local laws of the jurisdiction in which the installation is located and comply with any applicable requirements of such laws, (e.g., securing required licenses or permits). **(T-0)** In locations outside the U.S., raffles must be held in accordance with host nation laws and applicable Status of Forces Agreements. **(T-0)**

Florida State Law (Florida Statute 849.0935) categorizes raffles as "drawings by chance" and allows only **nonprofit organizations** that have federal 501(c)(3) status from the IRS to conduct them, provided they comply with strict disclosure laws. PO's must apply for and be awarded nonprofit status from the IRS. If you are not a nonprofit, you will violate business raffle laws in Florida.

Fundraisers may not charge for raffle tickets, although they may suggest a minimum donation. In addition, Florida rules do not allow them to cancel the raffle or refuse to give out the advertised prizes.

SUMMARY

WHO IS ALLOWED TO FUNDRAISE ON BASE?

- In compliance POs with request and approval from FSS
- UAs with request and approval from FSS
- UUAs with approval from unit CC for unit fundraisers/ with request and approval from FSS for on base fundraisers that extend beyond the unit

WHO IS ALLOWED TO FUNDRAISE OFF BASE?

- ONLY in compliance POs with request and approval from FSS

WHO IS ALLOWED TO SOLICIT DONATIONS ON BASE?

- NOBODY!

	Private Organization (NFE)	Unit Unofficial Activities (FE)
Approval Authority to Operate	6 MSG/CC ⁱ	Unit CC
Fundraiser Approval Authority	6 FSS/CC ⁱⁱ	Unit CC ⁱⁱⁱ
Fundraise on Duty Time?	No ^{iv}	Yes, but limited ^v
Fundraise in Uniform?	No	Yes ^{vi}
Announce a Fundraiser by Official Email?	No ^{vii}	Yes ^{viii}
Cap on Number of On-Base Fundraisers per Quarter?	Yes - 3 per quarter ^{ix}	No cap
Fundraise Off-Base?	Yes - 3 per quarter ^{ix}	Not allowed ^x
Cap on Funds?	No	\$1,000 ^{xi}
Solicit Gifts from Outside Sources?	Yes ^{xii}	Not allowed to solicit, but may accept gifts ^{xiii}
Provide Financial Documents?	To 6 FSS/FSR if earning more than \$5,000 per year ^{xiv}	To the Unit CC in all cases ^{xv}
Conduct Raffles?	Yes, <i>if</i> the PO has IRS 501(c) tax-exempt status	Not allowed ^{xvi}

- i AFI 34-223, *Private Organizations Program*, para. 10 gives the Installation Commander approval authority to allow Private Organizations to operate on the installation. The 6 ARW Installation Commander has delegated this to the 6 Force Support Group Commander.
- ii AFI 34-223, para. 10.10 gives the Installation Commander approval authority to allow Private Organizations to fundraiser on the installation. The 6 ARW Installation Commander has delegated this to the 6 Force Support Squadron Civilian Leader.
- iii AFI 34-223, para. 10.10.1 states "Unit commanders may approve unit unofficial activity fundraisers on the installation within the unit, and only for the unit's personnel. Fundraising outside the unit requires Installation Commander or designee approval."
- iv AFI 34-223, para. 1.3.2: "Service members may not perform activities for Private Organizations while in an official duty status."

- v AFI 34-223, para. 9.1 authorizes Unit Commanders to allow unit personnel to support fundraising efforts while on duty -- but warns them not to let those efforts interfere with the mission.
- vi AFI 36-3101, *Fundraising*, para. 5.3.4.7 states: "Because unit commanders may support and endorse 'for us, by us' fundraising events, they may allow military unit members to set up, execute and clean up from such events during the duty day and while in uniform."vii AFI 34-223, para. 11.1.3 prohibits using official email for Private Organization fundraising : "Official communication systems should not be used to advertise Private Organization fundraiser (and membership)" *Note though* that the same paragraph allows official email to be used "to inform Airmen of Private Organization events of possible interest to the unit and its families" and gives the approvable example of an email notifying members to a regular meeting of a spouses club.
- viii AFI 34-223, para. 9.1: "... commanders may advertise and support their fundraising efforts through the use of official communication systems (to unit members)"
- ix AFI 34-223, para. 10.10.2 states: "Occasional fundraising is defined as not more than three per calendar quarter."
- x AFI 34-223, para. 10.11 states: "Fundraisers conducted by unit unofficial activities [FUBUs] off the installation are not appropriate."
- xi AFI 34-223, para. 2.2 limits FUBUs to a monthly average of \$1,000 over a three-month period. This cap is raised by \$100 for every 50 unit members over 300, and the cap can be exceeded for up to six months if the funds will be used for a large unit event like a holiday party.
- xii AFI 34-223, para. 10.19.1.3 states: "Private Organizations and unit unofficial activities may accept gifts and donations from outside sources."
- xiii AFI 34-223, para. 10.19.1.3 states: "Unit unofficial activities will not solicit gifts."
- xiv AFI 34-223, para. 10.7. Additionally, Private Organizations with gross revenues over \$100,000 need an independent accountant's review, and those with \$250,000 or more need an audit by a Certified Public Accountant.
- xv AFI 34-223, para. 2.2.3 requires FUBUs to maintain two-person accountability over funds and submit a basic annual financial report to their Unit CC.
- xvi AFI 34-223, para. 10.20: "Unit unofficial activities are not authorized to conduct raffles

Common issues found during legal reviews

The list below is a list of common issues that we see when legal reviews a private organization. Though the list is not all inclusive, it does provide a list of items that the legal office specifically looks for when reviewing private organizations.

- Using rank on documents
- Sending the documents to legal prior to coordination with 6 FSS/FSR
- Failure to have the proper insurance or waiver
- Use of official Department of Defense organizational seals, logos or insignias on the private organization's correspondence
- The use of the name or abbreviation of an Air Force organizational unit whereby the name misleads members of the public to assume a private organization is an organizational unit of the Air Force
- Failure to or improperly display the disclaimer on all print and electronic media
- Not adapting and editing the constitution and bylaws so that they pertain specifically to the private organization, i.e. rubber stamping the constitution and bylaws from a template
- Failure to update the constitution and bylaws every two years or when there is a change in the purpose, function or membership eligibility

More Questions

- AFI 34-223, *Private Organizations (PO) Program*
- AFI 36-3101, *Fundraising within the Air Force*
- DoD 5500.7-R, *Joint Ethics Regulation (JER)*
- DoDI 1000.15, *Procedures and Support for Non-Federal Entities Authorized to Operate on DoD Installations*
- AFMAN 33-152, *User Responsibilities and Guidance for Information Systems*
- 5 CFR 2635.808, *Standards of Ethical Conduct for Employees of the Executive Branch; Fundraising Activities*
- AFI 51-601, *Gifts to the Department of the Air Force*
- AFI 36-2909, *Professional and Unprofessional Relationships*
- Local Legal Rulings/Policy Letters