

1 December 1984

Morale, Welfare, and Recreation

DINING SOCIAL CLUB ORGANIZATIONS

This regulation provides guidance, policy, requirements, and procedures for establishing and organizing dining social club organizations (hereafter called club) on Air National Guard (ANG) installations under license or lease from the Federal Government. This regulation sets forth uniform guidelines and requirements under which such clubs may operate on ANG installations and the responsibilities of adjutants general, commanders, their staff, and members of clubs. The guidance and requirements established by this regulation include, but are not limited to, compliance with State laws. Clubs enhance morale and esprit de corps by providing activities and facilities for fellowship and recreation for ANG members and their families, substantially similar to those available to the active forces through the Air Force Open Mess Program. Supplements to this regulation must be approved in advance by NGB/MP.

1. Definitions: The following terms are defined for this regulation:

a. **ANG family** - The ANG family includes current ANG members, retired ANG members, civilian employees (Department of Air Force and State) of ANG units, Air Force advisors, and dependents of these groups of people.

b. **ANG installation** - A location, facility, or activity leased by, licensed to, or assigned to the ANG by the Federal Government or any of its subsidiaries.

c. **ANG installation commander** - Normally, the air commander or station commander on an ANG installation. At bases operated solely by the ANG, the base commander is the ANG installation commander. At dual flying unit locations, the ANG air commander charged with managing consolidated support responsibilities is the ANG installation commander. When a unique organizational structure exists, the Adjutant General will designate an individual to function as the ANG installation commander for the purpose of this regulation.

d. **Lease** - A conveyance of exclusive possessory interest in real property for a specific term, in return for payment of rent or other consideration to the owner. The Adjutant General, Director ANG, and SAF/MII approve the requests for a lease under the provisions of this regulation.

e. **License** - Formal written permission, revocable at will, from the Adjutant General given to a club to conduct functions in facilities on an ANG installation. A license is used only to provide nonexclusive use of a facility or portion thereof. All requests for a license under this regulation require the Adjutant General's approval.

f. **Dining social club organization** - A private, not-for-profit membership corporate entity operated and managed by ANG members acting outside the scope of any official position they may have in the Federal Government, for the benefit and use of ANG members and their families. A club operates on an ANG installation pursuant to and in conformity with the requirements of this regulation. It is not

a nonappropriated fund instrumentality (NAFI) as defined in AFR 176-1 or other Air Force publications and is not entitled to the sovereign immunities or privileges given to NAFIs. It has no legal connection or affiliation with any Federal organization outside of the ANG installation. It is subject to and must comply with all applicable State and local laws of the jurisdiction in which the ANG installation is located.

g. Dining social club organization assets - These are funds and property in the club's custody or ownership. Funds may come from donations, dues, payments, resale of items, or other receipts. Club funds may not be combined or commingled with NAFI funds or any other funds. These funds are subject to involuntary Federal audit with the approval of the Adjutant General.

2. General Policy:

a. A club serves similar functions and provides substantially the same kinds of service to its members that are available to the active forces through the Air Force Open Mess Program, and it makes a positive contribution to the furtherance of goals and objectives that benefit the members of the ANG and the Air Force. The number of clubs on an ANG installation is limited to one for officers and one for enlisted personnel, or alternatively, a single consolidated club for both officers and enlisted personnel, and one separate snackbar operated by a club as an annex to its primary club for use by all ANG personnel. These limitations on the number and type of clubs authorized on an ANG installation will not be exceeded, even though there is more than one ANG unit at the ANG installation. However, an additional snackbar annex(es) may be authorized by NGB/MP for ANG installations with large numbers of ANG members or where geographical location of the collocated units requires more than one snackbar.

b. The Adjutant General may grant a license to a club for the use of an existing facility pursuant to the requirements of this regulation. The Deputy Assistant Secretary (Installations, Environment, and Safety) and the Deputy for Installations Management of the office of the Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations) (SAF/MII) approve and execute leases of property to clubs desiring to construct new facilities on Government-owned or -leased property, or for exclusive occupancy of existing facilities or portions thereof. All requests to organize, establish, and operate a club as defined in this regulation on an ANG installation must be approved by the Adjutant General. All requests for a club to begin operating on an active military installation after the effective date of this regulation require the approval of the Director, ANG, and will be coordinated with SAF/MII and the Deputy Assistant Secretary of Defense (Manpower, Installations, & Logistics). The ANG installation commander is responsible for obtaining the written approval to a lease or license to a club from the prime lessor of property leased to the United States and licensed to a State for ANG purposes, where the prime lease contains a clause barring, restricting, or otherwise conditioning subleasing or assignment.

c. There is no official relationship between the activities of clubs, which are private organizations, and those of the ANG personnel who are members and/or patrons. Clubs are not integral parts of military organizations from which membership is drawn. However, the Air Force is interested in and concerned with the operation of clubs because they are on ANG installations.

d. Clubs will comply with all applicable Federal, State, and local laws. If a club sells alcoholic or cereal malt beverages, it shall operate such sales in

strict compliance with the alcoholic beverage laws of the State in which it is located, and be subject to the ANG installation commander's alcohol abuse control program established IAW ANGR 30-2. The manager of the club will be invited to participate in the activities of the ANG installation drug and alcohol abuse control committee. ANG installation commanders shall make use of all available means to make ANG personnel aware of alcohol deglamorization and responsible approaches to drinking. Clubs will comply with the spirit and intent of the President's and DOD's initiatives to prevent drunken and drugged driving.

e. No Federal manpower or funds will be used to support a club. However, a lease or license for facilities will be granted without monetary consideration in view of the positive contribution a club makes to the morale and welfare of ANG personnel. Privately funded construction of a club facility on an ANG installation may be authorized by SAF/MII in approving a lease; but without such specific authorization, construction is prohibited.

f. Membership in a club does not entitle members to reciprocal privileges in any U.S. Armed Forces open mess. ANG members on an Active Air Force installation in an active duty for training status are entitled to temporary open mess privileges as outlined in AFR 215-11. ANG personnel are also authorized to join Air Force open messes commensurate with their grade and are encouraged to do so when residing within a convenient distance to the open mess.

3. Procedure for Establishment:

a. A club shall be established as a not-for-profit membership corporation duly organized in conformity with State law. Its functions and objectives must be in writing and shall be reviewed by the senior ANG installation staff judge advocate and other staff members as deemed necessary. Each club shall maintain on file at the ANG installation the

organizational documents required by State law, including certificate or articles of incorporation, charter or constitution, bylaws, and such other organizational documents as may be required to -

(1) Establish membership eligibility;

(2) Designate management responsibilities (including accountability for assets and satisfying liabilities) to a specific member of the organization;

(3) Notify all members of their personal financial responsibility if there are not enough assets to cover all liabilities, when State law does not provide for limited liability;

(4) Provide specific guidance on disposing of residual assets;

(5) Provide for source of revenue;

(6) Establish liability insurance protection in such amount to be acceptable to the Adjutant General; and

(7) Provide for insurance for the dramshop theory of liability, if available, in such amount as is acceptable to the Adjutant General.

Insurance obtained under (6) and (7) above shall provide that the insurer is not subrogated to the interests of the United States.

b. All requests for establishing a club on an ANG installation must be approved by the Adjutant General. This authority may not be delegated. The ANG installation commander will forward requests from a club through ANG command channels to the Adjutant General. If the request is approved, the Adjutant General will issue a license if nonexclusive use of facilities is desired. The license issued by the Adjutant General to a club shall be based on and specifically include reference to the Secretary of the Air Force license issued to the State,

and the permission of the prime lessor of the underlying land where applicable.

(1) If a club desires a lease of Government property for construction of new facilities or for exclusive occupancy of existing facilities or portions thereof, the request will be forwarded through ANG command channels to the Director, ANG. Adjutants general may disapprove requests without further review by the Director, ANG. The Director, ANG may disapprove a request or, if approved, forward it to SAF/MII for review and approval of a lease.

(2) Requests for a club to operate on an ANG installation that is located on an active military installation will be coordinated with the active installation commander whose comments will be attached to the request. All requests to operate on an active military installation require the approval of the Director, ANG, and will be coordinated with SAF/MII and the Deputy Assistant Secretary of Defense (Manpower, Installations & Logistics). All such requests, unless disapproved at the lower level, will be sent through ANG channels to NGB/CF. A club operating on an active military installation on the effective date of this regulation need not obtain the approval and coordination required by this subparagraph to continue to operate, provided it complies with all other provisions of this regulation.

(3) Each request must clearly show the benefit to the ANG through the operation of the club and what procedures will be established to monitor and control its activities. All requests must also include: a copy of the proposed license/lease (as appropriate) agreed to by the ANG installation commander and the authorized representatives of the club; the results of the ANG installation staff judge advocate review; and a copy of the certificate or articles of incorporation, charter or constitution, bylaws, and other documents as may be required pursuant to State law and this regulation for the establishment of the club.

4. Responsibilities:

a. The Manpower and Personnel Division (NGB/MP) is responsible for formulating, monitoring, and providing ANG policy on clubs.

b. Adjutants general shall -

(1) Ensure that the provisions of this regulation are followed.

(2) Review requests for licenses or leases from organizations to operate on ANG installations, and either approve or disapprove them in writing. Requests for leases will be forwarded to the Director, ANG, for further action if the Adjutant General approves them. Requests for licenses that are approved shall result in the issuance of a license by the Adjutant General.

(3) Have the authority to withdraw the authorization for a club to operate on an ANG installation or to review the operation thereof at any time. Termination may also be accomplished by the club membership, consistent with its corporate charter or constitution and bylaws.

(4) Ensure that all clubs operating on ANG installations are properly authorized and are otherwise in compliance with applicable Federal, State, and local laws, and ANG and Air Force regulations.

c. ANG installation commanders shall -

(1) Forward to the Adjutant General the club's request for a license or lease to operate on an ANG installation.

(2) Ensure that not more than one club for officers and one club for enlisted personnel, or alternatively, a single consolidated club for both officers and enlisted personnel, and any separate snackbar annex(es) conducted under the auspices of a club are operating on the ANG installation, as provided in paragraph 2a.

(3) Ensure that a club has the appropriate State licenses to operate the activities it is conducting.

(4) Ensure that a review of each club is conducted at least once a year, and that such review is evaluated by the installation staff judge advocate. The review will ensure that the club is being operated in conformance with its organizational and operating documents, applicable Federal, State, and local laws, ANG and Air Force regulations, and its lease or license. The ANG installation commander will forward the results of the review with comments and recommendations to the Adjutant General.

(5) Require that a club has at least an annual audit. The audit will be conducted by a certified public accountant at the club's sole expense. Alternatively, such audit may be conducted by a qualified State agency satisfactory to the Adjutant General. The club shall make available an annual audited financial statement to its members and issue one to the Adjutant General, unless otherwise provided by State law or the club's certificate or articles of incorporation or bylaws.

(6) Keep a permanent file on the club's operations. This file will contain copies of the certificate or articles of incorporation, charter or constitution, bylaws, letter of approval, appropriate State license(s), and other related documents. The file shall include a record of the annual reviews made pursuant to paragraph 4c(4) and a copy of all audits made of the organization pursuant to paragraph 4c(5), or otherwise.

(7) Ensure that clubs that sell alcoholic or cereal malt beverages have operating standards to prevent overindulgence in such beverages and do not glamorize such beverages and their consumption.

(8) Provide for the proper protection of the club's property and its patrons.

(9) Negotiate with the authorized club representative a license/lease, as required, and enforce their provisions as approved by the Adjutant General or the Director, ANG and SAF/MII.

5. Membership:

a. All members of the ANG family are eligible for membership in the club. The following categories of individuals also may be eligible for membership, subject to the approval of the Adjutant General:

(1) Department of Defense employees (military and civilian) of units/agencies located close to the ANG installation, except when they are employed on an active military installation.

(2) Civilian employees of non-DOD agencies (such as fire protection specialists employed by a municipal airport) that directly support an ANG unit.

(3) Employees or technicians working under Government contract in support of ANG units.

b. Individuals outside of the groups listed in a above may become members subject to the approval of the Adjutant General and in accordance with State law; however, the number of such members will not exceed 15 percent of the total club membership allowed by a above. Membership to individuals outside of the groups listed in a above shall be granted only after a careful and judicious study of the circumstances. Such membership will normally consist of individuals who have distinguished themselves in direct association with the ANG or other public service.

c. Membership discrimination based on race, color, national origin, sex, or other classifications prohibited by Federal law as a basis for discrimination is prohibited.

d. All categories for membership will be specifically listed in the license/lease issued to the club.

e. Membership cards will be issued to identify members and to control club patronage. Membership cards will be clearly and distinctively marked, consistent with paragraph 6b, to reflect that the membership is in a private club.

6. Operating Guidelines:

a. Activities of clubs will not in any way reflect prejudice or discredit on DOD components or other agencies of the Federal Government. The club's actions shall not jeopardize the interests of the Government or conflict with authorized governmental activities. Accordingly, games of chance, lotteries, gambling, related activities, and solicitation of funds by clubs for themselves or others are prohibited on ANG and USAF installations. Bingo and Monte Carlo events may be permitted as social recreational activities, but not as lottery or gambling events, if approved by the ANG installation commander and if they are allowed by State and local laws or ordinances.

b. A club will not use in its title or letterhead, or on its membership card, or in any manner -

(1) The name or seal of the Department of Defense; or

(2) The name, abbreviation, or seal of any Federal military department, service, or MAJCOM; or

(3) The seal, insignia, or other identifying device of a local unit or USAF installation.

A State unit designation may be used if permitted by applicable State law.

c. Federally appropriated fund activities and NAFIs may not claim the assets of, or create or assume any obligations on behalf of, clubs except as may arise out of specific contractual relationships entered into by the approved club.

d. No club may discriminate in its employment practices on the basis of race, color, marital status, age, religion, national origin, lawful political affiliation, labor organization membership, physical handicap, creed, sex, or other classification prohibited by Federal or State laws.

e. Clubs must establish and maintain commercially reasonable amounts of insurance as stipulated by the Adjutant General to provide protection against personal liability, property damage claims, or other legal actions that may arise from activities of the organization, its employees, members, or guests. Commercial insurance against liability, loss, or damage of organizational assets is the sole responsibility of the club. Evidence of such insurance coverage and the amount thereof shall be provided to the ANG installation commander.

f. A club must be self-sustaining through dues, contributions, service charges, fees, special assessment of members, or resale of authorized items as set forth herein. There shall be no direct or indirect financial assistance to a club from a nonappropriated fund instrumentality.

g. Clubs' resale activities shall be limited. All appropriate and necessary Federal, State, and local licenses and permits that are required to conduct various business and related activities permitted and contemplated by this regulation shall be obtained. Resale activities are limited to -

(1) meals prepared in a kitchen facility; snacks, such as sandwiches and pizzas, heated in a microwave oven; pre-packaged snack items like chips, popcorn, and candy; tobacco products; beverages of all legally authorized types to be consumed on the premises only (non-alcoholic beverages will be made equally available

wherever alcoholic or cereal malt beverages are served); and other items associated with a food and/or beverage sales operation; and

(2) Items related to ANG unit morale and identity, such as plaques, cups, and hats with ANG/unit emblems, mottos, etc.

Clubs will not make bulk sales of beer, wine, or liquor, nor will they become involved in services or the sale of products not directly related to the purpose for which they were established.

h. Income will not accrue to individual members from a club's activities, except through wages and salaries for services rendered.

i. A club that sells alcoholic or cereal malt beverages must be familiar with the dramshop theory of liability. This theory deals with legal liability created by State law or court decision that imposes on the server of alcoholic or cereal malt beverages (or the owner or operator of an establishment that serves alcoholic or cereal malt beverages) the duty to refuse to serve alcoholic or cereal malt beverages to a patron who reached or appears to be reaching a point of intoxication that might cause that person to be a danger to himself/herself and/or others. In order to protect the interest of the club as well as ANG members and their guests, the organization shall -

(1) Publish operating instructions that prohibit serving alcoholic or cereal malt beverages to those who appear either to be intoxicated or not in complete control of their faculties, and ensure that all servers are aware of these operating instructions.

(2) Ensure that proper safeguards or controls are set up to protect the welfare of an intoxicated or impaired patron and the assets of the Air Force, the ANG, and the club.

j. The certificate or articles of incorporation, charter or constitution, bylaws, and operating and membership rules are the basic documents by which a club is established, administered, and dissolved.

k. Bingo may be played on ANG installations if bingo is permitted by State and local laws. Where consistent with State and local law, the following apply:

(1) The total of cash prizes (excluding cumulative cash jackpots) for a session of play will not be more than \$2,000. Cash prizes can be limited to an amount less than the income from bingo card sales to make sure the club does not suffer a loss.

(a) Cumulative cash jackpot games may be played. The initial amount of such a jackpot must not be more than \$500. If the initial jackpot is not won, it may be increased in specific increments on successive sessions of play until it is won or until it totals a maximum of \$2,500.

(b) When a cash jackpot prize is won, the cash jackpot offered at the next session of play will not exceed \$500.

(2) Actual cost of a single merchandise prize (includes US saving bonds) will not be more than \$2,500. A merchandise jackpot prize (not to exceed \$8,000 actual cost) may be awarded twice annually.

(3) Participation is limited to members, their dependents, and guests.

(4) Club employees and their dependents involved in bingo operations are not allowed to play bingo.

(5) Clubs will ensure procedures are established for the proper control of cash, bingo cards, and prizes; and that such procedures are a part of the operating rules of the organization.

(6) Where free bingo is offered as entertainment, the controls will be the same as for "pay" bingo.

(7) The playing of tab bingo, or similar games wherein a player pays an amount of money for a card or ticket drawn or punched or from which tabs are pulled, rubbed, or peeled to reveal whether the holder has won an amount of money or other award is prohibited.

1. Monte Carlo (Las Vegas) events. Monte Carlo games may be played in clubs on ANG installations only in support of membership programs and provided such games are permitted by State and local laws. Monte Carlo is a scheduled event (cannot be played continuously) and should only be conducted occasionally. Monte Carlo games will be played for entertainment only and will not provide any monetary gain to participants in the form of legal tender. Nonmonetary prizes may be awarded, and such prizes may be purchased with "winnings" if the games or activities are conducted with the approval of the installation commander under AFR 30-30, paragraph 10b. Games or activities that result in participant "winnings" must be conducted with some form of money substitute. The use of legal currency is prohibited. Once a participant purchases a money substitute, no reimbursement may be made of unused instruments. Monte Carlo games and activities shall conform to State and local requirements. Regardless of State or local laws, slot machines, roulette wheels, and other mechanical devices designed and manufactured primarily for use in connection with gambling are prohibited as parts of Monte Carlo events.

(1) Monte Carlo events will not be publicized in media distributed through the U.S. Postal Service.

(2) Money substitutes will not be used to buy resale items, including food and beverages. Players may not exchange money substitutes for legal tender (currency or coin).

(3) At the end of the games, the club may award prizes to players with the most and least "winnings." Also, the club may sponsor an auction and permit players to bid their "winnings" on items purchased especially for the event.

(4) Employees of the club, their immediate families, and volunteers will not take part in Monte Carlo games or accept prizes awarded at the event. Participation will be limited to members, their dependents, and their guests.

(5) Clubs will ensure procedures are established for the proper control of cash, money substitutes, and prizes; and these procedures are a part of the operating rules of the organization.

m. A board of directors or council will be elected from the active membership of the club in accordance with its bylaws. The board of directors or council is the governing body of, and has complete jurisdiction over, the club. The board is responsible for the establishment, administration, operation, financial condition, and dissolution of the club.

n. The board of directors or council of the club will appoint a manager to direct and supervise the club and any annexes and associated operations. The manager is responsible for the day-to-day management of the club and performs such functions and duties as may be required by the club's bylaws and as directed by the board of directors or council. Such functions and duties include, but are not limited to -

(1) Receiving, safeguarding, accounting for, and disbursing funds.

(2) Preparing budgets and reports on the financial status and efficiency.

(3) Administering employees by providing training, task lists, and procedures for performance of employee functions.

(4) Keeping insurance policies in full force and effect by ensuring premiums are paid on time.

(5) Providing for the operation, care, upkeep, and maintenance of all club property and services.

(6) Maintaining all books and records of accounts.

(7) Posting and enforcing operating instructions that prohibit the serving of alcoholic or cereal malt beverages to intoxicated or impaired patrons, and providing safeguards to protect their welfare.

(8) Providing procedures for the proper control of cash, bingo cards, money substitutes, and prizes for bingo and Monte Carlo events if authorized as club activities.

o. To obtain good quality products at the lowest cost, the club should, as much as possible, purchase them through competitive procedures in accordance with sound business practices.

7. Logistical Support and Services: No direct Federal support is authorized or will be provided to a club. Costs will be apportioned in the following manner:

a. **Separate facilities.** If a club is the sole occupant of a facility, portion of a facility, or land area on an ANG installation, the club is responsible for total maintenance, upkeep, and repair of the premises or land area. The club will be billed directly by a provider of services or will reimburse the Government for all additive costs resulting from its use of the facility or land area.

b. **Joint-use facilities.** Facilities on an ANG installation that are jointly

used by a club and an ANG mission activity are divided into two categories: compatible joint use and noncompatible joint use. The club will pay a pro rata share of utility costs and all additive costs of maintenance, upkeep, and repair of the joint-use facilities resulting from its use of such facilities, except where such use is occasional (not more than 60 hours per calendar year). The hours of operation of the club will be regulated by the ANG installation commander. These items will be included in the terms of the license issued by the Adjutant General.

(1) **Compatible joint-use facilities,** such as dining halls (including any installed equipment located in such a facility), may be used by a club when not needed for official purposes. Compatible joint use also exists when the area used by the club is available for use by the mission activity, but the club's area is separated from the mission activity by a movable partition.

(2) **Noncompatible joint-use facilities,** such as operational or maintenance facilities, will not normally be jointly used by clubs. The Adjutant General must approve any exception to this policy in license form; complete justification must be provided in the request for such license.

c. A club is responsible for furnishing equipment, supplies, and other materials required to operate any activity that it conducts. Any loan or use of ANG Federal personal property will be IAW ANGR 67-1, Loan and Use of Property Issued to the ANG, and will be limited to 30 days per calendar year for any item. This 30-day limitation is not applicable to equipment, such as stoves and refrigerators, that are permanently installed in a facility used by a club.

1 December 1984

BY THE ORDER OF THE SECRETARY OF THE AIR FORCE

EMMETT H. WALKER, Jr., Lieutenant General, USA
Chief, National Guard Bureau

OFFICIAL:

HAROLD R. DENMAN, Colonel, USAF
Executive, National Guard Bureau

AIR FORCE DIRECTIVES FROM WHICH TO DERIVE TECHNICAL ASSISTANCE

1. AFR 12-20, Management of Documentation
2. AFR 12-50, Disposition of Air Force Documentation
3. AFR 30-30, Standards of Conduct
4. AFR 34-3, Volume 8, NAF Insurance Programs (to be AFR 176-4 when revised)
5. AFR 67-10, Responsibility for Management of Public Property in Possession of the Air Force
6. AFR 92-1, Fire Protection Program
7. AFR 125-37, The Resources Protection Program
8. AFR 176-3, Nonappropriated Fund Budgeting and Expenditure Control
9. AFR 176-10, Financial Operations and Accounting Procedures
10. AFR 215-7, The Control, Procurement, Sale, and Use of Alcoholic Beverages
11. AFR 215-11, Air Force Open Mess Program