Private Organization Guide
IN COMPLIANCE WITH MCBJO 5760.1B

This booklet provides information and sample documents for organizations to become officially recognized Private Organizations (POs) on Marine Corps Bases Japan Installations.
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About This Guide

This guide is a ready reference for general PO information and provides detailed information on MCBJ policies concerning PO’s. Department of Defense (DoD), Department of the Navy, and MCBJ Orders apply to PO’s and should be followed. Please visit http://privateorgs.weebly.com for additional information, sample forms, and guidance. Please direct your questions to the Supervisory Executive Administrator (SEA) at MCCS: Phone 645-2494.

This handbook outlines the rules and regulations for Private Organizations. In case of a conflict between this handbook and the regulations listed above, the regulations apply.

Questions concerning Private Organizations should be addressed to:
Marine Corps Community Services (MCCS)
ATTN: Executive Branch, Supervisory Executive Administrator
MCB Camp S.D. Butler Unit 35023 FPO AP 96373-5023
DSN 645-2494
Email: dawn.benbow@okinawa.usmc-mccs.org

The SEA’s office is located in MCCS Headquarters Building #5966 on Camp Foster, Room 308.
Definition/Authority

- A PO is a self sustaining non-federal entity (NFE). They are established, operated, and controlled by individuals acting outside the scope of any official capacity as officers, employees, or agents of the Federal government. NFEs include local governments and private organizations. They are not nonappropriated fund instrumentalities (NAFIS), nor are they generally entitled to the sovereign immunity and privileges given to NAFIs or Federal agencies. They operate on MCBJ facilities and areas with the written consent of the Commander, MCBJ, or higher military authority.

- The CG, MCBJ has designated the Marine Corps Community Services (MCCS) Executive Branch as the office that oversees the PO program. The Supervisory Executive Administrator (SEA) is tasked with monitoring and validating all POs and ensuring compliance with appropriate regulations.

- The SEA maintains all PO files and regularly reviews these files for compliance with the applicable policies.

- Certain unofficial activities conducted on MCBJ facilities and areas do not need formal authorization because of their limited scope. Examples of such activities included establishment of office coffee/soda funds and plaque funds. These funds are not Government money and do not belong to the unit or the Marine Corps. The money in an informal fund belongs to the members of the fund in their personal capacity. No one may be required to donate to an informal fund.
  - Office coffee/soda messes are authorized to be established to generate money for an informal fund. Office coffee/soda messes may sell only soda, coffee, and other non-alcoholic beverages and shall not sell food or other items.
  - If an unofficial activity's monthly income exceeds $350 or it has more than $1,000 on hand, in the fund, or in an account at any one time, it must become an authorized PO, discontinue operations, or take immediate action to reduce its income or savings. Units are responsible for ensuring compliance with this limitation.
  - Unofficial activities are not required to operate under a constitution or file annual financial reports. They must, however, maintain financial records to account for their income and expenses.

- All POs seeking permission to operate on MCBJ must apply in writing. MCBJO 5760.1B governs the operation of POs on MCBJ. Samples of financial statements, audits, constitutions and by-laws are available on the website, along with a listing of the current MCBJ POs and their designated status (Active or Suspended). These samples provided are guides only; you may use other formats as long as the necessary information is included.
Concept of Operations

1. Non-Federal entities on MCBJ facilities and areas shall not receive official sanction, endorsement, or other support unless such support is authorized by Federal ethics regulations or permitted by law. To prevent the appearance of improper support by the DoD, each PO must adhere to the following requirements:

- If the name, logo, or abbreviation of the DoD, a DoD component, installation, or other DoD organizational unit is used in a PO title or letterhead, the PO's status as a non-Federal entity must be apparent and unambiguous such that there is no appearance of official sanction or support by DoD.

- For a PO to use the name/title, logo, or abbreviation of the DoD or a DoD organizational unit in the PO's name, the following requirements must be met:
  - Before using the name/title, logo, or abbreviation, the PO must have written approval from the DoD or the DoD organization unit whose name or abbreviation is to be used;
  - Any use of the name/title, logo, or abbreviation of the DoD or a DoD organizational unit must not mislead members of the public to assume the PO is an organizational unit of the 000; and
  - The PO must prominently display the following disclaimer on all print and electronic media mentioning the PO's name confirming that the PO is not a part of the DoD: "THIS IS A NON-FEDERAL ENTITY. IT IS NOT A PART OF THE DEPARTMENT OF DEFENSE OR ANY OF ITS COMPONENTS, AND IT HAS NO GOVERNMENTAL STATUS." This disclaimer must also be provided in appropriate oral communications and public announcements when the name of the PO is used.

Membership
Membership of non-DoD personnel in a PO must be less than one-third of the PO's membership. This limitation ensures that the PO is structured for the MCBJ community. PO members who are DoD civilian employees or military or DoD civilian employee family members are "DoD personnel" for characterizing PO membership.

Equal Opportunity
PO shall not discriminate in membership policies or hiring practices based on age, race, religion, color, national origin, creed, or disability. However, POs may organize around a cultural or ethnic focus provided they do not restrict their membership by age, race, religion, color, national origin, creed, or disability.
Private Organization Employees

PO employees are not employees of the United States or of an instrumentality of the United States. Based on the nature of their operations, some POs may be required to obtain an Employee Identification Number (EIN) for tax filing and reporting. If required to obtain an EIN, a PO may submit a request to the Internal Revenue Service (IRS); the required form and instructions can be found at the IRS website, http://www.irs.gov.

Each PO shall comply with applicable laws on labor standards for employees, including worker's compensation insurance. PO employees shall not participate in NAF employee benefit programs based upon their affiliation with the PO.

1. POs will be generally self-sustaining, primarily through dues, contributions, service charges, fees, special assessment of members, or conducting fund-raising events.

2. There will be no direct financial assistance to a PO from APF or from a NAFI in the form of contributions, dividends, or other donations of monies, or other assets except as specifically authorized by the Commandant of the Marine Corps.

3. POs must properly manage their budgets and operations, including cash and other assets such as property.

4. Income must not be passed on to individual members except through wages and salaries for PO employees. Any income of the organization will be used primarily for offsetting expenses of operation and accomplishing the stated purpose of the organization. As an exception, the Commander MCBJ may authorize investment-oriented POs, if they comply with all other provision of this regulation.

5. POs will not engage in resale activities except through thrift shop sales of used merchandise or occasional sales for approved fund-raising purposes. The term “occasional” is defined as no more than two fund-raising events per calendar quarter. In no case should such sales be on a frequent or continuous basis, and in no instance will POs be permitted to engage in the sale of alcoholic beverages. However, the Commander, MCBJ may authorize exceptions to the above selling restrictions provided that military exchanges or other NAFIs cannot fulfill the particular requirement. Merchandise will be sold only to SOFA members, and its use will be directly related to the specifically approved function of the PO. POs are primarily non-profit enterprises and are not intended nor authorized to directly compete with MCCS, the Army and Air Force Exchange Service (AAFES), or the Defense Commissary Agency (DECA).
Starting a New Private Organization

An organization requesting Marine Corps Bases Japan Private Organization status must submit:

- **Request for Approval of Private Organization (see next page)**
- **Constitution and By-Laws of the organization must include:**
  
  A constitution and by-laws are written to guide an organization in its operations and activities. These documents should be clearly worded, intentionally structured, and kept up-to-date to meet the needs of the student organization.

  The constitution:
  - Establishes the broad structure and fundamental principles of an organization
  - Should be straightforward and comprehensive
  - Should be difficult to amend

  The by-laws:
  - Outline the rules of procedures for an organization
  - Should be consistent with the constitution
  - Tend to be easier to amend than the constitution

- **Point of Contact Listing**
  
  names of elected officers’, email addresses, and phone numbers

- **Proposed Budget**
  
  The Annual Budget Forecast will include the budgeted income (retail items, dues, fund-raisers, donations, etc.) and budgeted expenses (payroll, supplies, equipment, trips, etc.) for the year, broken down into the four quarters of the reporting year. If the organization has paid staff members, it is mandatory to include a narrative statement including the number of paid employees, position, and salary (hourly and annual).

Once approved, you will receive a letter of approval for your Private Organization and are sanctioned to operate aboard MCBJ. Please review the Financial Reporting section of this handbook and turn in your paperwork by the due dates to remain active and sanctioned aboard MCBJ.

**Bank Account:**

In order to open a bank account, the Private Organization will need an EIN number. This number is obtained by going to the IRS website and using form SS-4: Application for Employer Identification Number. Organizations that apply online receive the EIN number by email within 24 hours. After obtaining your EIN number, please create a Bank Request Letter (sample found on the website under Forms.) Once complete, please email this letter to Frank Murphy at frank.l.murphy@usmc.mil. Mr. Murphy will prepare an endorsement that will enable you to open a bank account in the Private Organization’s name.

**Receiving Mail for your organization:**

The mail for your Private Organization should be sent to the office in the MCCS HQ building:

Name of your Private Organization, C/O MCCS Executive Branch, MCB Camp S.D. Butler Unit 35023, FPO AP 96373-5023
Request for Approval of Private Organization

From: Name of Organization
To: Commander, Marine Corps Bases Japan
Via: Assistant Chief of Staff, Marine Corps Community Services (MCCS) Division, Marine Corps Base, Camp Smedley D. Butler

Subj: REQUEST FOR APPROVAL OF PRIVATE ORGANIZATION (PO)

Ref: (a) MCBJO 5760.1B

Encl: (1) Organization Constitution
(2) Organization Bylaws
(3) Annual Budget Forecast

1. Per reference (a), request the organization titled and described as follows be granted authority to function aboard MCBJ installations as a sanctioned PO.

2. Organizational information:
   a. Name of Organization:
   b. Principal Officers:
      (1) President:
          Name:
          E-Mail Address:
          Mailing Address:
          Day Phone: Evening Phone:
          Cell Phone:
      (2) Vice-President:
          Name:
          E-Mail Address:
          Mailing Address:
          Day Phone: Evening Phone:
      (3) Treasurer:
          Name:
          E-Mail Address:
          Mailing Address:
          Day Phone: Evening Phone:
      (4) Secretary:
          Name:
          E-Mail Address:
          Mailing Address:
          Day Phone: Evening Phone:
   c. Anticipated annual revenues:
   d. Anticipated annual expenses:
e. Will any officer/member of the organization receive wages or salaries as an employee or remuneration for services rendered?

   Yes ☐ No ☐

   If yes, provide title, purpose, and estimated amount of compensation (hourly and annually).

f. Will a Military Banking Facility account be required?

   Yes ☐ No ☐

g. Employer Identification Number (EIN):

   To obtain an EIN, you must file Form SS-4 with the IRS.
   This form is available at:
   http://www.irs.gov/businesses/small/article/0,,id=97860,00.html

h. The reporting period for the organization will be:
   (1) Calendar Year (01 January - 31 December) ☐
   (2) School Year (01 July - 30 June) ☐
   (3) Fiscal Year (01 October - 30 September) ☐
   (4) IRS Requirement (mandated by the IRS for tax-exempt organizations) ☐

i. Enclosures (1) and (2), the Constitution and Bylaws of this organization, respectively, have been duly approved and adopted by the membership of the organization and fairly represent the nature, function and objectives of this organization.

j. Enclosures (1) and (2) define the eligibility for local membership and certify that the majority of members will be primarily from the DoD family.

k. Enclosures (1) and (2) set forth the responsibilities for all management functions to include accountability of assets, coverage and limitation of insurance, disposition of remaining assets upon dissolution of the PO, and assure responsible financial management.

l. Enclosures (1) and (2) include a statement of the POs liability if assets are not enough to cover all PO liabilities, and address the extent of PO members' personal liability for debts of or claims against the PO.

m. It is acknowledged that this organization is not a government instrumentality and is not entitled to the immunities and privileges afforded government agencies.

n. It is acknowledged that this organization is responsible for all taxes and insurance required by applicable laws.

o. This organization agrees to comply with all applicable installation regulations and directives.

__________________________________        ________________________________
Signature of President                       Printed Name of President
After a Private Organization becomes sanctioned to operate on MCBJ they are required to submit certain reports according to the reporting period that was chosen in their application.

PO's have four reporting periods to choose from: (Tip: Choose a reporting period for when your elections take place. i.e., if you elect new officers' in June, then a School Year reporting period would probably best suit your PO. If you elect new officers’ in December, then a Calendar Year reporting period would be suitable).

1. **Calendar Year (01 January through 31 December)**
   a) Quarter 1 (01 Jan - 31 Mar) - Reports due 20 April
   b) Quarter 2 (01 Apr - 30 Jun) - Reports due 20 July
   c) Quarter 3 (01 Jul - 30 Sep) - Reports due 20 October
   d) Quarter 4 (01 Oct - 31 Dec) - Reports due 20 January
   e) Audit due on 15 February

2. **School Year (01 July through 30 June)**
   a) Quarter 1 (01 Jul - 30 Sep) - Reports due 20 October
   b) Quarter 2 (01 Oct - 31 Dec) - Reports due 20 January
   c) Quarter 3 (01 Jan - 31 Mar) - Reports due 20 April
   d) Quarter 4 (01 Apr - 30 Jun) - Reports due 20 July
   e) Audit due on 15 August

3. **Fiscal Year (01 October through 30 September)**
   a) Quarter 1 (01 Oct - 31 Dec) - Reports due 20 January
   b) Quarter 2 (01 Jan - 31 Mar) - Reports due 20 April
   c) Quarter 3 (01 Apr - 30 Jun) - Reports due 20 July
   d) Quarter 4 (01 Jul - 30 Sep) - Reports due 20 October
   e) Audit due on 15 November

4. **IRS Requirement** (follow the reporting period mandated by the IRS, normally applies only to those PO's with tax-exempt status)
   a) Quarters will follow the given IRS reporting period
   b) Audit will cover the given IRS reporting period
Annually:

Within 45 days after the end of each reporting period, each PO must perform an annual audit and submit audit findings to the MCB Butler MCCS. Each PO is responsible for obtaining the services of a certified auditor or accountant to perform the annual audit.

1. Annual Audit to include:
   - Independent Auditors Report on Compliance
   - Independent Auditors Report on the Private Organization
   - Balance Sheet/Statement of Income and Expenses
   - Auditor’s Credentials

Please Note: Every PO must also have a new audit when a new treasurer takes office, even if it is in the middle of the reporting year or if you have recently completed an audit. This is for the protection of the outgoing, as well as the incoming treasurer.

2. Annual Budget Forecast:
Each PO must develop an Annual Budget Forecast to plan and control organization income and expenses and submit it to the MCB Butler MCCS, at the end of the current reporting period. The Annual Budget Forecast must include the PO’s budgeted income (e.g., retail sales, dues, donations) and budgeted expenses (e.g., payroll, supplies, equipment, travel) for the upcoming reporting period, separated into four monthly quarters for the reporting period. If the PO has employees, the Annual Budget Forecast must include a narrative statement identifying the number of PO employees, their positions, and their hourly wages or annual salaries, each listed by position.

   • A budget communicates a PO’s priorities and is a numerical representation of the action plan for the year.
   • It expresses in dollars the PO’s sources of funds (revenue), such as fundraisers, dues, grants, etc., along with the planned uses of funds for the PO (expenses), such as scholarships, donations, supplies, travel, salaries, etc.
   • The budget should be flexible enough to allow the PO to take advantage of unexpected opportunities and also allow for the unanticipated fluctuations in planned resources.

3. Revision/Update of the Constitution/Bylaws, if you have made any changes.

4. Updated Point of Contact Listing:
   • The name, address, e-mail address, and telephone numbers for each elected officer of the PO.
   • Anytime there is a change to any of these positions, a new listing must be submitted.
Quarterly:

The following items must be submitted on a quarterly basis, by the due date listed on your Reporting Calendar.

1. Meeting Minutes:
   - All PO meetings and Executive Board meeting minutes must be submitted.
   - If a meeting is canceled and/or rescheduled, the canceled meeting should be mentioned in the next meeting’s minutes. Minutes must be forwarded on a quarterly basis.

2. Balance Sheet
   - A balance sheet is a “snap-shot” of the PO’s financial condition on a given date, the last date of the specified quarter.
   - This statement applies only to a single point in time, versus a period of time. It will show the PO’s assets (cash, bank accounts, investments, receivables, supplies on hand), liabilities (debts to be paid), and equity (what is owned, it is the amount remaining after paying liabilities) on that particular day.
     - Assets are what the PO has, and liabilities are what the PO owes.
     - The difference between the two, or equity, is what the PO owns.
       - For example: if the PO’s assets are $10,000 and its liabilities are $6,000, its equity is $4,000. Assets minus liabilities equals equity (or, assets equal liabilities plus equity).
   - A sample balance sheet is provided on our website.

3. Quarterly Checklist
   - The quarterly checklist includes items that the primary elected officers’ of the organization must review on a quarterly basis and ensure they are meeting the minimum standards.
   - The quarterly checklist should be signed by the President of the PO and turned in by the due date.
   - A sample quarterly checklist is provided on our website.
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### PRIVATE ORGANIZATION QUARTERLY & ANNUAL SUBMISSION REQUIREMENTS

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## FISCAL YEAR: (October – September)
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<td>2nd Quarter Meeting Minutes</td>
<td>01 January through 31 March</td>
<td>20 April</td>
</tr>
<tr>
<td>2nd Quarter Compliance Checklist</td>
<td>For the period ending 31 March</td>
<td>20 April</td>
</tr>
<tr>
<td>Updated POC listing</td>
<td>Provide current list of POC's</td>
<td>20 April</td>
</tr>
<tr>
<td>3rd Quarter Balance Sheet</td>
<td>For the period ending 30 June</td>
<td>20 July</td>
</tr>
<tr>
<td>3rd Quarter Meeting Minutes</td>
<td>01 April through 30 June</td>
<td>20 July</td>
</tr>
<tr>
<td>3rd Quarter Compliance Checklist</td>
<td>For the period ending 30 June</td>
<td>20 July</td>
</tr>
<tr>
<td>Updated POC listing</td>
<td>Provide current list of POC's</td>
<td>20 July</td>
</tr>
<tr>
<td>4th Quarter Balance Sheet</td>
<td>For the period ending 30 September</td>
<td>20 October</td>
</tr>
<tr>
<td>4th Quarter Meeting Minutes</td>
<td>01 July through 30 September</td>
<td>20 October</td>
</tr>
<tr>
<td>4th Quarter Compliance Checklist</td>
<td>For the period ending 30 September</td>
<td>20 October</td>
</tr>
<tr>
<td>Updated POC listing</td>
<td>Provide current list of POC's</td>
<td>20 October</td>
</tr>
<tr>
<td>Independent Auditors Report on Compliance</td>
<td>01 October through 30 September</td>
<td>15 November</td>
</tr>
<tr>
<td>Independent Auditors Report on Private Organization</td>
<td>01 October through 30 September</td>
<td>15 November</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>For the period ending 30 September</td>
<td>15 November</td>
</tr>
<tr>
<td>Statement of Income and Expenses</td>
<td>01 October through 30 September</td>
<td>15 November</td>
</tr>
<tr>
<td>Auditor's Credentials</td>
<td></td>
<td>15 November</td>
</tr>
<tr>
<td>Annual Budget Forecast</td>
<td>01 October through 30 September</td>
<td>15 November</td>
</tr>
</tbody>
</table>

Review Constitution and Bylaws and update as necessary
Recommended Minimum Accounting Procedures

1. The accounting system used by the private organization should assure accomplishment of the following minimum requirements and procedures:

   a. Cash receipts will be deposited in the organization's bank account, intact, as soon as possible after the date of receipt. A duplicate deposit slip, stamped by the bank, will be retained as evidence that the deposit was made.

   b. Disbursements will be made by check, except when a petty, cash fund is authorized. Checks payable to 'cash' will not be drawn. All canceled checks will be retained as evidence of payment. Signature blocks of voided checks will be cut out to prevent reuse and the checks retained as part of the organization's records.

   c. Bank statements will be reconciled with the book balance each month. This reconciliation will be in writing and will be certified by the custodian.

   d. A petty cash fund may be established upon approval by the governing body. Disbursements from this petty cash fund will be limited to minor expenditures, not to exceed an approved amount established by the governing body per single expenditure, that recur at such intervals as to render payment by checks inadvisable. A voucher will be issued for each expenditure and it is recommended that vouchers be serialized. Each voucher will be recorded in the appropriate expense account (not a petty cash expense account.) The approved amount of petty cash fund will be changed only upon written authorization of the fund governing body. Replenishment of the fund will be made at the end of each month or more often when considered necessary.

   e. All receipts and disbursements will be supported by adequate receipts, bills, invoices, and other generally accepted accounting documents. Separate document sets should be maintained for purchase requests with authorization, receiving reports, and invoices. Voucher files will be maintained for all receipts and disbursements and cross-referenced to payments or deposits. Vouchers will contain a brief description of the income received or expense incurred and will be signed by the custodian.

   f. Accounting records will be maintained on a current basis and all records and related documents preserved in such a manner so as to be readily available for audit.

2. Fidelity bond coverage should be obtained for the custodian when cash assets of the organization exceed $500. These bonds must be purchased at the expense of the organization. Position schedule or blanket bonds, governing the position and not the individual by name, may be used.

3. A record of all property owned by the organization will be maintained. This record should describe the property, the date it was purchased and the original cost. A physical inventory of organizational property at six month intervals is recommended. Physical inventories will be recorded in the organization's records. Inventory overages and shortages and any drops or disposition of property will have the written confirmation of the governing body. An audit of any inventory and fixed asset overages and/or shortages will be made before an adjustment to the general ledger is
entered. Where a sizable quantity of property is owned, consideration will be given to the appointment of a property officer to sign and be held responsible for the property.

4. Financial statements will be prepared quarterly and submitted to the governing body for examination and approval. A copy of each financial statement will be forwarded for review to the Commanding General, Marine Corps Base, Camp Smedley D. Butler (AC/S, MCCS) as appropriate.

5. Audits will be performed at least annually for organizations with total assets exceeding $500. However, it is advisable that additional unscheduled audits be performed during the course of the accounting period. Audit reports will be submitted by the due date to the Commanding General, Marine Corps Base, Camp Smedley D. Butler (AC/S, MCCS).

6. Treasurers or custodians shall be either elected or appointed by advisory bodies. The authority to withdraw funds from bank accounts, as established, shall be signed by the President or senior member of the advisory body and forwarded to the banking activity with a copy furnished to the treasurer or custodian. The appointment letter for the Treasurer or custodian will state his duties, responsibilities and authority for disbursing funds.

7. The treasurer or custodian will prepare financial statements reflecting the entire period, to consist of a balance sheet and statement of income and expenses. A copy thereof will be furnished to the Commanding General, Marine Corps Base, Camp Smedley D. Butler (AC/S, MCCS).

8. When a treasurer or custodian is relieved, he/she will invoice to his/her successor funds, property, accounts and records of the activity; and his/her successor will receipt for them. A combined invoice and receipt will be used, prepared in quadruplicate and all copies signed. Distribution will be as follows:

   a. Original filed with the original financial statement.

   b. Copy to President on senior member of governing body.

   c. Copy to newly assigned Treasurer or custodian.

   d. Copy to relieved Treasurer or custodian.
Fundraising

Marine Corps Bases Japan Order 5340.1C governs fundraising on Marine Corps Bases Japan. Your PO will NOT be allowed to hold any fundraiser if you are not in “Active” status, with all paperwork current and approved by the SEA. Each Private Organization is allowed to hold TWO fundraisers per quarter, a total of 8 per year, per MCBJO 5760.1B. These fundraisers must seek approval through the Camp Commander’s office and the SEA. EXCEPTION: Bake sales and car washes do not need to be approved through the SEA, but must be approved through the appropriate Camp Commander. Bake sales and car washes DO count towards your allotted fundraisers.

Guidelines:

1. PO volunteers are not allowed to be in uniform or in an on-duty status while fund-raising.
2. All monies raised must be used in the local community.
3. Raffles, games of chance, drawings, 50/50’s, etc. are not allowed to be held or sold on Marine Corps Bases Japan.
4. You must submit your fund-raising request through the MCCS Executive Office. Legal will review all requests and forward to this office, with either an approval or disapproval, for coordination with the appropriate Camp Commanders office.
5. No door-to-door fundraising is permitted without the Camp Commander’s approval. Please submit a request with the Camp Commander before knocking on any doors or setting up collection areas anywhere on base.

Fundraising requests involving prepared food sales on site must be favorably endorsed by the United States Naval Hospital Okinawa Preventive Medicine Department. The endorsement must certify that all persons preparing food successfully completed a four-hour foodservice sanitation training course. For details, call DSN 643 3028 or E-mail: NHOkiPrevMed@med.navy.mil.

A fundraiser request form is available on the website, or from the SEA. Fundraiser requests submitted less than 3 weeks before the event will not be processed.

Upon approval:

1. Receive a facility briefing from the facility manager.
2. Work out a safety plan with the facility.
3. If base passes or access is required for non-SOFA status persons, see the Camp/Station Commander office.
4. If there are any changes or additions to the original request, you MUST re-submit another request with the details for review and approval.
5. If you plan on advertising on Flyers, in newspapers, etc, you must have your advertisement approved through MCCS Marketing:
   - Visit MCCS Marketing Department (1st floor, MCCS Headquarters building) for approval.
   - After approval, you will receive a License Number. Please write the License Number at the bottom of every Flyer/advertisement with the following information: MCCS distribution approved Lic # _______. No federal, Marine Corps or MCCS endorsement intended. Expires _______.
• Gain Camp Commander and Facility approval before hanging flyers on base.

All flyers must measure no larger than 8 1/2” x 11” or A-4. Poster must not be larger than A-3 size. Flyer must not contain any sponsor or company information other than your event information. Flyers must be placed in the facility managers approved location and shall be placed so as not to cover, conceal, or otherwise obstruct MCCS materials that may also be displayed the same locations. Vendors shall not remove any MCCS materials from said locations. PO’s participating in the flyer program shall provide all manpower, transportation, and materials necessary for the circulation and distribution of the flyers to the various approved locations as outlined in the agreement.

Please take down your Flyers as soon as your event has passed.
Logistical Support

PO must be self-sustaining, and they are not entitled to DoD support. However, limited logistical support may be provided to a PO when the support is consistent with and supportive of the military mission of the DoD unit or activity concerned. For MCB’J, such support may be provided only when it can be offered within the capability of the Commander, MCBJ, without detriment to the Commander's ability to fulfill the military mission and the support is permitted under the Status of Forces Agreement.

If a PO continuously uses a DoD facility or space, a real estate license is required, and the PO must reimburse the government for any utilities, materials and services provided in addition to any other costs. If a PO occasionally requests use of a DoD facility or real property, such logistical support may be authorized per reference (cl and applicable law.

Each PO is responsible for furnishing or procuring its own equipment, supplies, and other materials at their own expense. DoD shall not provide consumable supplies unless such support is permitted by law. If a PO occasionally requests use of DoD equipment, such logistical support may be authorized per DoD 5500.7-R and applicable law.

Government employees must protect and conserve Government property and must not use it for other than authorized activities. Each Government employee has a duty to protect and conserve Government property and shall not use such property, or allow its use, for other than authorized purposes.

Commanders and Directors on MCBJ facilities and areas will confer with their respective legal counsel before approving any logistical support for any PO.
Dissolving a Private Organization

A PO will be dissolved per the provisions of its constitution and bylaws, charter, or articles of agreement. Provisions shall be included for disposition of residual assets upon dissolution, and agencies to which any residual bank balances could be forwarded if the activity is dissolved and no organizational official can be located. In the absence of this information, the Commander, MCBJ will arbitrate application of the dormant bank balances.

Upon dissolution of a PO, the incumbent official will notify the Commander, MCBJ (Attn: AC/S, MCCS) of impending action with certification that all indebtedness has been paid and residual assets disposed of. Neither APF activities nor NAFIs may claim the assets of, or make, or assume, any obligations for a PO except those that may arise from a valid contract between them.

When a PO decides to disband or shut down, it must:

- Use its funds to satisfy any outstanding debts, liabilities, or obligations. Any unpaid obligations remain the responsibility of the PO and its activity members.
- Dispose of the residual balance as decided by the membership.
- Submit a Request for Dissolution (sample available on the website)
- The organization must submit documentation from the bank, showing the account has been depleted and closed.
- MCCS will remove the PO from the PO Listing and the Website.
SAMPLE FORMAT FOR BYLAWS

(Organization Name)

BYLAWS

The sample bylaws that follows contains all basic provisions for writing a private organization bylaws. *Items in italicized bold print are mandatory statements that must be included verbatim in the bylaws as shown below.* Other items are statements that an organization may choose to include as shown below or change to fit their own particular objectives and desires. All articles and sections addressed in the example below must be addressed in each private organization’s bylaws.

ARTICLE I - MEMBERSHIP CLASSIFICATION AND PRIVILEGES

Section 1. Membership shall be as stated in the Constitution, usually in three categories, i.e., General, Associate or Honorary, but members in all categories may be in an inactive or suspended status temporarily.

Section 2. __________, __________ and __________ (as applicable) members shall be considered as those who have been favorably voted on by the membership of the Club. They shall be tendered all privileges and benefits within the power of the Club to bestow, except (note any exception/category).

Section 3. A member may be temporarily granted inactive status by the Board of Directors upon that member’s written request giving an explanation satisfactory to the Board. All privileges accorded any other member of the Club shall be extended to a member in this status, except (state any exceptions), but including dues as stated in Article ________.

Section 4. Any member who is in arrears of any money due the Club is not considered to be in 'good standing' and is subject to suspension.

ARTICLE II - MEMBERSHIP APPLICATIONS, RESIGNATIONS AND EXPULSIONS

Section 1. Memberships are not transferable.

Section 2. Application for membership shall be addressed to the Secretary who shall, not later than the next regular meeting, bring them to the attention of the Board of Directors for action.

Section 3. Upon approval of the application by the Board of Directors, the Secretary shall put the name on the waiting list.

Section 4. A favorable majority vote of the voting membership present shall be required to admit an applicant to (specify particular or state 'all' categories of membership).
Section 5. Resignations shall be addressed to the Secretary who shall, not later than the next regular membership meeting, bring them to the attention of the Board of Directors for action.

Section 6. Upon approval of the Board, resignations shall become effective not less than _______ days from the date formal request is received by the Secretary. The Board may recommend immediate effectiveness, but in no event, before all money due the Club by the resigning member has been collected.

Section 7. For minor infraction of Club rules, a member may be placed in a suspended status by majority action of the Board, and is thereby temporarily denied all privileges of membership in the Club. However, dues, assessments and his/her responsibilities as a member of the Club shall continue. A period of suspension shall be limited to _______ days/months, at the end of which time the Board shall be required to take further action or the suspended status shall end automatically.

Section 8. For serious infractions of Club rules, the Board may temporarily suspend a member pending a vote for expulsion by a (2/3, 3/4, or simple/select one) majority vote of the voting membership in good standing.

ARTICLE III - DUES OR FEES

(Dues will be _______) or (Dues will not be assessed. Dues will only be assessed to active members of the association. (Insert if applicable) Initial Membership fee will be _____.

ARTICLE IV - DUTIES OF OFFICERS AND MEMBERS

Section 1. It shall be the duty of all officers to conduct the activities of the Club in an efficient and businesslike manner and to safeguard the interest of the Club at all times.

Section 2. The President shall preside at the meetings of the Club. He/she shall perform all other duties as properly pertaining to his office, to include the following: (List specific duties of the President in subparagraphs below).

Section 3. The Vice President shall act as President in the absence of that official. In the absence of both the President and Vice President at any regular meeting or special meeting, the chairperson shall be in the sequence in which the officers are named in the Constitution. Specific duties pertaining to the office of Vice President are: (List specific duties in subparagraphs below).

Section 4. The Secretary shall conduct all correspondence at the direction of the Club or its officers, take the minutes of the meetings, make an accurate record of the proceedings and perform all other duties that properly pertain to this office. (List other specific duties in subparagraphs below).

Section 5. The Treasurer shall keep an account of all moneys received by and disbursed on behalf of the Club in accordance with generally accepted business practices which shall include at a minimum, provisions for the following:
a. Cash receipts shall be deposited intact in the Club's bank account the first banking day after the day of receipt. A duplicate deposit slip, authenticated by the bank, shall be retained as evidence that the deposit was made.

b. Disbursements shall be made through the use of preprinted and pre-numbered checks, except when made from a petty cash fund if such fund has been authorized. All canceled checks shall be retained as evidence of payment. Checks that have been voided shall have the signature area cut off to preclude their unauthorized use and shall be retained as part of the Club's records. All checks or withdrawal slips must bear the signature of at least two members of the Board of Directors, one of whom shall be the Treasurer. The authority to withdraw funds from bank accounts shall be signed by the President and forwarded to the banking activity with a copy furnished to the Treasurer.

c. Bank statements shall be reconciled with the book balance each month. Such reconciliation's shall be accomplished in writing and shall be certified by the Treasurer and one other member of the Board.

d. All receipts and disbursements shall be supported by adequate receipts, bills, invoices, and other generally accepted accounting documents. Voucher files shall be maintained for all receipts and disbursements and cross-referenced to payments or deposits. Such vouchers shall contain a brief description of the income received or expense incurred and shall be signed by the Treasurer.

e. A petty cash fund may be established upon approval of the membership. Disbursements from this petty cash fund shall be limited to minor expenditures not to exceed $____________, per single transaction. The approved amount of the petty cash fund may be changed only upon approval of the membership. This fund shall be replenished, by check, as of the last day of each accounting month, or more often if necessary, for all expenditures made during the month. Each expenditure from this fund shall be supported by a signed receipt setting forth the date, amount (in both numerals and words) and purpose of the expenditure.

f. Accounting records shall be maintained on a current basis and all records and related documents preserved in such a manner go as to be readily available for audits.

g. Audits shall be performed at least annually by a qualified and disinterested party who is not a member of the Club. However, additional unscheduled audits may be performed during the course of the accounting year, such as the change of Treasurer. The cost of such audit shall be borne by the Club and submitted to the Commanding General, Marine Corps Base, Camp Smedley D. Butler (AC/S, MCCS).

h. A Record of all property/equipment owned by the Club shall be maintained. This record shall describe the items of property/equipment, the date purchased and the original cost. A physical inventory shall be conducted of all Club property at least annually as of the close of the accounting year. This inventory shall be made a part of the official records of the Club. Inventory overages and/or shortages and the survey/disposition of property/equipment will have the written confirmation of the membership. Where a sizable
quantity of property is owned, a property officer shall be appointed to sign for and be held responsible for the property.

i. When the Treasurer is relieved, he/she shall invoice to his/her successor all funds, property (if not signed for by a property officer), and accounts and records of the Club; and his successor shall receipt for them. For this purpose, a combined invoice and receipt shall be prepared in quadruplicate with all copies being signed by both parties. Distribution of the signed copies shall be as follows:

1. Original - filed with original financial statement.
2. Copy - to President.
3. Copy - to newly assigned Treasurer.
4. Copy - to relieving Treasurer.

Section 6. Duties of any additional officers as set forth in the Constitution should be listed in this and subsequent sections.

Section 7. The duties of the Board of Directors shall be to act on all matters of policy; to determine initiation fees (if applicable) and monthly dues (unless voted on by the membership); to act in a judicial capacity on violations of Club rules; to protect the Club's interest and safeguard its welfare; and to submit its findings and recommendations to the meetings for approval.

Section 8. The duties of the members shall be to attend all meetings; to conduct themselves in a proper and fitting manner; to uphold the dignity of the Club; to be mindful of the Club's interest; and to observe all regulations governing the operation of the Club.

ARTICLE V - AMENDMENTS AND CHANGES

Section 1. Amendments and changes to these bylaws can be effected only by a majority vote of the total voting membership of the Club in good standing and subsequent approval of the Commanding General.

Section 2. Any proposed amendment or change shall be voted upon at the next regular meeting following that at which the proposal is made and in the event of favorable action, shall go into effect immediately upon approval by the Commanding General unless otherwise specifically provided.

Section 3. Any amendment or change to these Bylaws shall be attached hereto.

ARTICLE VI – MISCELLANEOUS

Section 1. Before being finally accepted to membership in this Club, each member shall read all rules and regulations of this Club and shall have agreed in writing to observe and abide by them.

ARTICLE

(Such other articles considered necessary and proper for the effective functioning of the Club and are approved by the membership.)
SAMPLE FORMAT FOR CONSTITUTION

(Organization Name)

CONSTITUTION

The sample constitution that follows contains all basic provisions for writing a private organization constitution. Items in italicized bold print are mandatory statements that must be included verbatim in the constitution as shown below. Other items are statements that an organization may choose to include as shown below or change to fit their own particular objectives and desires. All articles and sections addressed in the example below must be addressed in each private organization’s constitution.

ARTICLE I - NAME

Section 1. The name of this organization shall be ______________________________, herein after referred to as the 'Club.'

ARTICLE II – AUTHORITY & PURPOSE

Section 1. Upon the approval of the Commanding General, Marine Corps Base, Camp Smedley D. Butler, this Constitution is hereby established.

Section 2. The purpose of this Club is to ___________________________________. The organization will provide equal opportunity and treatment for all members and prospective members regardless of their race, color, religion, gender, disability, age, or national origin.

ARTICLE III - BYLAWS AND OTHER REGULATIONS

Section 1. Bylaws shall be formulated and upon approval of the Commanding General, Marine Corps Base, Camp Smedley D. Butler shall have the same force and effect as if published as part of the Constitution.

Section 2. The Club shall comply with all DoD; Marine Corps; Marine Corps Bases, Japan; Marine Corps Base, Camp Smedley D. Butler Orders, Directives and Instructions pertaining to the operation of independent private organizations.

Section 3. The Club acknowledges that it is not a government instrumentality and therefore is not entitled to immunities and privileges afforded government agencies, and is responsible for taxes and insurance as required by law.
ARTICLE IV - MEMBERSHIP

Section 1. Membership of the Club will be on a voluntary basis.

a. General membership shall be extended to ______________________________________

b. Associate membership shall be limited to ______________________________________

c. Honorary membership shall be extended to ____________________________________

d. Civilian membership, excluding DoD civilians billeted on the installation shall be limited to not more than one-third of the total membership strength.

NOTE: If there are different classes of membership, they must be specified separately; if not, membership eligibility itself must be addressed.

ARTICLE V - OFFICERS AND BOARD OF DIRECTORS

Section 1. The officers for the Club; elected from the categories of membership, shall be President, Vice President, Secretary and Treasurer (add others as desired). This group of officers shall be designated the Board of Directors.

Section 2. Each year, at a regularly scheduled meeting, nominations from the floor shall be invited prior to the election of office. Nominees must give their permission for the election. Officers shall be elected by a secret majority vote of those members present and voting. A simple majority vote is required. The existing Board of Directors shall not vote unless it is necessary to break a tie.

Section 3. An officer of the Club may be removed for cause by a majority written vote of the voting membership.

Section 4. The Board of Directors shall have the authority to act on any and all matters concerning the Club excepting those requiring approval of the Commanding General, Marine Corps Base, Camp Smedley D. Butler or a vote of the Club membership or as otherwise specifically provided for by the bylaws of the Club. Expenditures of the Club in excess of $_________ (indicate amount) must be presented to and approved by the Board (or voted on by the membership) before the obligation is incurred.

Section 5. In the event of a vacancy on the Board, the remaining members of the Board shall appoint a temporary officer to serve until the next regular meeting at which time an election shall be held to fill the vacancy. The candidates shall be nominated from the floor at the time. If a permanent officer is not elected within 60 days after the vacancy occurs, the temporary officer appointed by the Board shall automatically become permanent for the remainder of the unexpired term.

Section 6. An officer may resign his/her office by notifying the President in writing.

Section 7. Officers are eligible for re-election to the same office; however no individual shall be eligible for the same office for more than two consecutive terms.

Section 8. Duties of the elected officers are as prescribed in the bylaws.
ARTICLE VI - QUORUMS AND MEETINGS

Section 1. The Board of Directors shall meet at least quarterly or at the call of the President. The quorum for all Board of Director's meetings shall be at least ________ (indicate number) present of the Board. The Board members will exercise their powers through a simple majority vote.

Section 2. A general membership meeting will be held on the __________ (date/day of the week) of ___________ (each month/other). A simple majority vote of those members present and voting at the meeting will prevail on all issues brought to a vote with the exception that Constitutional amendments shall be affected as prescribed in the Constitution, Article XI.

Section 3. Upon written request of at least _______ percent of the voting membership of the Club, the President shall be required to call a special membership meeting. The President may call a special membership meeting at his own discretion.

Section 4. All members shall be notified, if possible, of the time, place, and subject matter of the special membership meeting and only that business for which the meeting is called shall be transacted.

ARTICLE VII – VOTING

Section 1. Only members in good standing shall be allowed to vote on any matter requiring a vote and they shall be entitled to only one vote.

Section 2. There (shall/shall not) be any voting by absentee or proxy.

Section 3. Passage of any resolution shall be a simple majority vote of those voting members present, except when otherwise provided for in the bylaws.

Section 4. All proposals at a Board of Directors meeting shall require a simple majority to be passed.

ARTICLE VIII - FINANCE

Section 1. Each member shall pay monthly dues in an amount to be determined by the (Board/membership). Total dues of all members, together with other income, shall be sufficient to cover insurance and other expenses. All members are personally and equally liable if the assets of the Club are insufficient to discharge all liabilities/obligations.

ARTICLE IX – INSURANCE AND LIABILITY

Section 1. Adequate and proper insurance shall be carried at all times to protect the membership from liability. Members understand they are personally liable, as provided by law, if the assets of the non-Federal entity are insufficient to discharge all liabilities.
Section 2. Fidelity bond coverage shall be obtained for the Treasurer whenever cash assets of the Club exceed $500. Such insurance shall be purchased with Club funds and shall cover the position of Treasurer and not the individual by name.

ARTICLE X - DISSOLUTION

Section 1. Dissolution of the Club shall be upon the initiative of the membership or a decision by the Commanding General, Camp Smedley D. Butler to withdraw local authorization to operate aboard the Base.

Section 2. Upon the liquidation of all indebtedness, residual assets will be disposed of as directed by the Board of Directors.

Section 3. Upon disestablishment, the incumbent senior official shall notify the Commanding General, Marine Corps Base, Camp Smedley D. Butler via the Assistant Chief of Staff, MCCS, of impending action with certification that all indebtedness has been liquidated and residual assets disposed of. If upon dissolution, liabilities exceed assets, then the excess of liabilities over assets shall be paid by the membership. For the purpose of this article, a member is defined as one whose name is carried on the roll of the active and associate members as of the date of notification. The membership is liable for organizational debts in the event the organization’s assets are insufficient to discharge liabilities. Distribution of residual funds and other assets must not accrue to the benefit of any individual member or the membership as a whole.

ARTICLE XI - AMENDMENTS OR CHANGES

Section 1. Amendments or changes to this constitution may be proposed by the Board of Directors or by any member in good standing who submits a written request to the President, using the exact wording of the proposed change. Notice of the proposed change of the constitution, using the exact wording, shall be given to the membership at least ten days in advance of a business meeting called to consider the change. This notice will be drafted as a proxy vote to allow those members who do not desire to, or cannot attend the meeting to vote.

Section 2. Proposed amendments or changes shall be adopted when two-thirds of the voting members, both those at the meeting and those voting by proxy, approve the amendment, and shall become effective upon approval of the Commanding General, Marine Corps Base, Camp Smedley D. Butler.

Section 3. Any amendments or changes to this constitution shall be attached hereto.
SAMPLE ANNUAL BUDGET FORECAST
20-- Budget for Named PO

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<tr>
<td>Random Donations</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
<td>$400</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$7,700</td>
<td>$23,700</td>
<td>$7,700</td>
<td>$9,200</td>
<td>$48,300</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Budgeted Expenses</th>
<th>1st Quarter</th>
<th>2nd Quarter</th>
<th>3rd Quarter</th>
<th>4th Quarter</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarships</td>
<td></td>
<td></td>
<td></td>
<td>$30,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Administrative Fees</td>
<td>$750</td>
<td>$750</td>
<td>$750</td>
<td>$750</td>
<td>$3,000</td>
</tr>
<tr>
<td>Community Day</td>
<td>$400</td>
<td>$400</td>
<td>$400</td>
<td>$400</td>
<td>$1,600</td>
</tr>
<tr>
<td>Family Night Activities</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$2,000</td>
</tr>
<tr>
<td>Refreshments for</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$1,500</td>
</tr>
<tr>
<td>Membership Meetings</td>
<td>$375</td>
<td>$375</td>
<td>$375</td>
<td>$375</td>
<td></td>
</tr>
<tr>
<td>Holiday Party</td>
<td>$2,000</td>
<td></td>
<td></td>
<td></td>
<td>$2,000</td>
</tr>
<tr>
<td>Family Picnic</td>
<td></td>
<td></td>
<td></td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Cultural Lunches</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$800</td>
</tr>
<tr>
<td>Insurance</td>
<td>$600</td>
<td></td>
<td></td>
<td></td>
<td>$600</td>
</tr>
<tr>
<td>Audit</td>
<td></td>
<td></td>
<td></td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$4,075</td>
<td>$4,475</td>
<td>$33,475</td>
<td>$1,975</td>
<td>$44,000</td>
</tr>
</tbody>
</table>

NARRATIVE:
We will gain our income through our allotted amount of fund-raisers throughout the year, along with membership dues, t-shirt sales (sold only to organizational members), and random donations.

Our scholarships are the biggest budgeted expense for our organization; we plan to give $3,000 scholarships to ten deserving students. Administration fees include the cost of utilizing the room for our meetings ($450 per quarter) and the cost of printing publications for our membership, along with any other associated administration fees. For our community day we choose a school and provide lunch for the teachers and administration. Family night activities include a night of entertainment for our PO members and their families (normally either bowling or going to the theatre to watch a family appropriate movie). Each month our organization will send representatives to the base cultural special emphasis programs (e.g., Black History Month, Women's History Month, etc.)
**BALANCE SHEET EXAMPLE**

For the period ending: (Last Day of Reporting Period)

**ASSETS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$27,675</td>
</tr>
<tr>
<td>Cash in Bank - Checking</td>
<td>$27,575</td>
</tr>
<tr>
<td>Petty Cash Fund</td>
<td>$100</td>
</tr>
<tr>
<td>Cash in Bank - Savings</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total Cash</strong></td>
<td><strong>$27,675</strong></td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>$6,000</td>
</tr>
<tr>
<td>Prepaid Supplies</td>
<td>$500</td>
</tr>
<tr>
<td>Inventory</td>
<td>$700</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>$34,875</strong></td>
</tr>
<tr>
<td>Property, net of Depreciation</td>
<td>$14,775</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$49,650</strong></td>
</tr>
</tbody>
</table>

**LIABILITIES**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>$1,500</td>
</tr>
<tr>
<td>Accrued Payroll</td>
<td>$0</td>
</tr>
<tr>
<td>Other Current Liabilities</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>$1,500</strong></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>$1,500</strong></td>
</tr>
</tbody>
</table>

Note 1 - Property & Equipment. The property and equipment is as listed above, net of applicable depreciation. The items were recorded on the financial statements at cost. Straight-line depreciation method is used for all depreciable assets. Assets are recorded for any equipment that has an acquisition price of $2,500 or greater (including shipping, installation, etc.), and has a useful life of at least two years.

*(A SAMPLE BALANCE SHEET WITH FORMULAS CAN BE FOUND ON THE WEBSITE)*
QUARTERLY COMPLIANCE CHECKLIST FOR PRIVATE ORGANIZATIONS

1. Segregation of Duties. Ensure that the following functions were performed by separate individuals:
   - Initiating a purchase transaction
   - Approving the transaction
   - Processing and recording the payment
   - Reviewing the transaction

2. Controlling blank and voided checks.
   - Confirm that all blank checks are locked up at all times and controlled
   - Ensure that all voided checks have been properly defaced
   - Confirm that the PO always retains voided checks in a secured location and does not destroy or dispose of voided checks

3. Ensure that all checks are properly accounted for.
   - Inspect the checkbook currently in use
   - Check that the checks are pre-numbered
   - Ensure that the checks are being used in sequence
   - Check that signatories do not pre-approve checks
   - Ensure any additional checkbooks, not in use, are locked and secured

4. Restrict negotiability of checks, prevent payment to unauthorized individuals and prevent unauthorized changes to checks.
   - Observe that checks are made payable to specific payees, not to cash
   - Ensure the check signatories are not writing checks to themselves or family members
   - Note that payee names are completed in full and abbreviations are not used
   - Check that all unused spaces have been cancelled
   - Use a standard pen with non-erasable ink when writing checks

5. Prevent unauthorized signing of checks.
   - Ensure all check signatories are still holding their elected positions and are in a satisfactory standing with the organization
   - Change the check signatories with the bank, if necessary
   - If there has been a change in the Treasurer position, schedule an audit of the organization

6. Ensure all disbursements are valid.
   - Check that the necessary documentation (invoices, purchase orders, receipts, etc.) accompany the checks to be signed
   - File the necessary documents to be readily available for auditing purposes
   - Obtain receipts for all transactions

7. Perform and review of bank reconciliations.
   - Perform the bank reconciliation
   - File necessary documentation as evidence
   - Examine long outstanding check and used checks for unauthorized and unusual endorsements
   - Examine bank statements for checks significantly out of sequence
• Examine support for any unusual reconciling item in bank reconciliation
• Obtain reasons for any delays in deposits
• Review the filing procedures and ensure the records are maintained in a satisfactory manner

_____ 8. Safety of cash takings/checks received and not yet deposited.
  • Inspect safe in which the cash/checks kept overnight and consider whether it is in good condition
  • Make inquiries regarding the safekeeping of any cash/checks not deposited overnight

_____ 9. Control receipts received via the mail.
  • Note that mail is opened in the presence of one other PO officer
  • Ensure that all checks/cash received are registered in a check received register, which should be used in preparing the bank reconciliation
  • Observe that person opening the incoming mail restrictively endorses all checks received immediately

_____ 10. Documentation indicates members understand their personal liability, if any, when the organization's assets are insufficient to discharge all liabilities upon dissolution.

_____ 11. Insurance policy, if required, is current and coverage is sufficient.

_____ 12. All organization events/activities/fund-raisers/meetings comply with existing fire/safety/environmental/fund-raising regulations.

_____ 13. Submit quarterly reports to the AC/S, MCCS.
  • Balance Sheet
  • Meeting Minutes
  • Updated POC Listing

Each of these items has been reviewed/performed for this Private Organization:

PO Name: ______________________________________

PO President: _________________________________

Signature of PO President: ______________________

Date: ____________________________
SAMPLE FORMAT FOR INDEPENDENT AUDITOR'S REPORT ON PRIVATE ORGANIZATION

Date

From: Audit Board (or Auditor)
To: President or Senior Member of Advisory Board

Subj: AUDIT OF _________________________ (NAME OF PO)

Ref: (a) MCBJO 5760.1B

Encl: (1) Balance Sheet dated _________________
      (2) Statement of Income and Expenses for the period __
          to _______________________

1. An audit of the accounts and records of the subject fund for the period________________ to ______________ both dates inclusive, has been conducted.

2. This audit was conducted in compliance with the reference and generally accepted auditing procedures.

3. The cash account was found to be as follows:

   Cash balance at (last day of previous period) $ __________
   Cash receipts period audited $ __________
   Total cash to be accounted for $ __________
   Less cash disbursements period audited $ __________
   Cash balance at (last day of current period) $ __________
   Cash on hand (counted) $ __________

   Cash in bank:
   Checking Account (reconciled) $ __________
   Savings Account (confirmed)$ $ __________
   Cash balance confirmed $ __________

   The cash on hand was counted. Cash in the checking account was reconciled to a statement of the (name of bank). The savings account was found to be in agreement with Passbook Number (identify the passbook number) __________

4. The treasurer(s) or custodian(s) of the subject fund for the period audited was/were: ____________________(Rank/Name/Component)
5. The financial statement, enclosure _, was found to be in agreement with the records of the subject fund and is submitted recommending approval.

6. (This paragraph is reserved for any remarks concerning the condition of the fund, differences in property inventories, and recommendations, if desired).

7. The accounts and records were found to be maintained in a satisfactory (unsatisfactory) manner. All existing regulations have been complied with throughout the period audited (except as noted elsewhere in this report).

-------------------------------------
SIGNATURE OF SENIOR MEMBER OR AUDITOR

-------------------------------------
(Typed or Printed Name)

Copy to:
Treasurer/Custodian
AC/S, MCCS
From: NAME OF AUDITOR
TO: Commanding General, (AC/S, Comptroller), Marine Corps Base, Camp Smedley D. Butler
Via: (1) Board of Directors of NAME OF PRIVATE ORGANIZATION
(2) AC/S, Marine Corps Community Services

Subj: INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE NAME OF PRIVATE ORGANIZATION

Ref: (a) MCBJO 5760.1B

Encl: (1) Statement of Cash Receipts and Cash Disbursements

1. I have audited the principal financial statements of the NAME OF PRIVATE ORGANIZATION for the year ended _________ 20XX.

2. I have conducted the audit in accordance with generally accepted auditing procedures and Government Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the principal financial statements are free of material misstatement.

3. Compliance with laws and regulations applicable to the NAME OF PRIVATE ORGANIZATION is the responsibility of Management of NAME OF PRIVATE ORGANIZATION. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of compliance with laws and regulations designated by LAWS THAT WERE USED. As part of this audit, I reviewed management’s process for evaluating and reporting on internal control and accounting systems as required by the Government Auditing Standards.

4. The results of the tests disclosed instances of noncompliance that I am required to report under Government Auditing Standards.

Criteria (1): According to MCBJO 5760.1B, and the organizational by-laws, Article 5, Section 2c, all bank statements will be reconciled with the book balance each month. Such reconciliation will be accomplished in writing and certified by the Treasurer and one other member of the Board.

Condition (1): Other than the Treasurer's annotations on the bank statements and an extensive checks and balances system utilizing Quicken software, there is no written evidence that the end-of-month reconciliation process was accomplished during the audit period. However, it is clearly evident that a reconciliation did occur. Furthermore, there is no indication of the reconciliation having been certified by the Treasurer and one other Board member, as required by current guidelines.

Effect (1): The lack of a timely and accurate reconciliation process between the organizations check register/general ledger and the banking facility can hide indifferences/errors that may exist between the two entities and ultimately may compound if not corrected immediately.

Cause (1): This lapse in reconciliation being certified by the Treasurer and one other Board member occurred because the PO management was unaware of the requirement.
**Recommendation (1):** The PO management should ensure the bank statement balances are physically reconciled to the check register/general ledger control account within five working days of receipt of the bank statement. Furthermore, that each end-of-month reconciliation be in writing and certified by the Treasurer and one other Board member per current MCBJO.

**Criteria (2):** Enter criteria

**Condition (2):** Enter condition

**Effect (2):** Enter effect

**Cause (2):** Enter cause

**Recommendation (2):** Enter recommendation

*Note: Continue to number and list each additional finding of non-compliance, as necessary.*

Signature of Auditor and Date of Report
## STATEMENT OF INCOME AND EXPENSES EXAMPLE

Date

Name of Private Organization

For Period of ------- to --------

### Income during Audit Period: $46,000.00

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dues</td>
<td>$3,500.00</td>
</tr>
<tr>
<td>T-Shirt Sales</td>
<td>$2,100.00</td>
</tr>
<tr>
<td>Sweatshirt Sales</td>
<td>$2,300.00</td>
</tr>
<tr>
<td>1\textsuperscript{st} Quarter Bake Sales</td>
<td>$753.00</td>
</tr>
<tr>
<td>2\textsuperscript{nd} Quarter Furniture Bazaar</td>
<td>$34,347.00</td>
</tr>
<tr>
<td>3\textsuperscript{rd} Quarter Golf Tournament</td>
<td>$1,700.00</td>
</tr>
<tr>
<td>3\textsuperscript{rd} Quarter Bake Sale</td>
<td>$325.00</td>
</tr>
<tr>
<td>4\textsuperscript{th} Quarter Bowling Tournament</td>
<td>$525.00</td>
</tr>
<tr>
<td>4\textsuperscript{th} Quarter Car Wash</td>
<td>$450.00</td>
</tr>
</tbody>
</table>

### Expenses during Audit Period: $44,000

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarships</td>
<td>$30,000.00</td>
</tr>
<tr>
<td>T-Shirts</td>
<td>$1,500.00</td>
</tr>
<tr>
<td>Sweatshirts</td>
<td>$1,500.00</td>
</tr>
<tr>
<td>Community Day</td>
<td>$1,600.00</td>
</tr>
<tr>
<td>Family Night Activities</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Refreshments for meetings</td>
<td>$1,500.00</td>
</tr>
<tr>
<td>Holiday Party</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Family Picnic</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Cultural Lunches</td>
<td>$800.00</td>
</tr>
<tr>
<td>Insurance</td>
<td>$600.00</td>
</tr>
<tr>
<td>Audit</td>
<td>$500.00</td>
</tr>
</tbody>
</table>

Increases (Cash Receipts during period) $46,000
Decreases (Cash Disbursements during period) $44,000
Increase (Decrease) to Net Worth during audit period: $2,000.00
SAMPLE AUDITOR QUALIFICATIONS

Name: Name of Auditor

Professional Certifications and Memberships:
List any professional certifications and memberships, examples include:
Certified Public Accountant (CPA)
Certified Fraud Examiner (CFE)
Certified Government Auditing Professional (CGAP)
Certified Internal Auditor (CIA)
Accredited Business Accountant (ABA)
Accredited in Business Valuation (ABV)
Accredited Financial Examiner (AFE)
Accredited Tax Advisor (ATA)
Accredited Tax Preparer (ATP)

Professional Experience:
Work experience related to your ability to complete a thorough and accurate audit.

Education and Specialized Training:
List any awarded college degrees, certificates or specialized training.