

DECLASSIFIED
Authority: *ND 983076*

SUBJECT: Post Exchange and Central Welfare Funds, Claims of

Item No.	Date of Paper	DESCRIPTION
1.	13 Dec 45	AR 210-50
2.	3 Apr 47	AR 210-60
3.	23 Oct 44	Findings: a. Post Exchange Claims not Responsibility of Army b. Unit Fund claims are Responsibility of Army
4.	6 Dec 44	Unit Fund Claims not Allowable under AR 25-100
5.		Unit Fund Claims are Allowable under AR 25-25
6.	12 Apr 45	Post Exchange - Decisions of TJAG
7.	22 Jun 45	Request for Claims Service to Investigate Post Exchange Claims
8.	16 Aug 45	Routing of Post Exchange Claims
9.	25 Aug 45	Claims Service agrees to investigate Post Exchange Claims
10.	31 Aug 45	Claims against Unit Funds - Request for Policy
11.	4 Sep 45	Claims Against Unit Funds - Opinion as to Legality
12.	18 Sep 45	Claims Against Former Nonappropriated Welfare and Sundry Funds to be investigated by Claims Service and forwarded to Headquarters, AFPAC
13.	23 Oct 45	Forms for claims against the Central Welfare Fund
14.	29 Oct 45	Disposition of Claims
15.	1 Nov 45	AFPAC Regulation 75-10
16.	28 Oct 46	Opinion - Central Welfare Claims
17.	29 Apr 47	Request current status of responsibility for investigating Post Exchange Claims
18.	27 Jun 47	Claims Service Responsible for Investigation of Post Exchange Claims
19.		Cross Reference Sheet

MEMO

New Claims Investigation

TO: SACs 3-1

TO: Chief of Claims Service

27 June 1947

CROSS REFERENCE SHEET

1. AAS Overseas Bulletin No. 11, issued by Headquarters, Army Service Forces, Army Exchange Service, New York, on 9 August 1945, outlines the procedure established for the handling of claims against former Post Exchanges where such claims were based upon losses sustained by enemy action (Tab A).

2. Section II of AAS Overseas Bulletin No. 3, 5 February 1947, provides that the procedure outlined in the above-mentioned Overseas Bulletin will remain in effect until 14 July 1948 (Tab C).

3. On 21 June 1947, the PHILIPPINE Army Exchange System requested from the Special Services Division, New York, an interpretation as to whether or not it was the proper function of the Exchange, this Command, to process claims against former Exchanges in the Philippines (Tab B).

4. On 25 June 1947, a radio was received from Special Services Division, New York, which indicates that the handling of such claims is considered a supervisory function required of the War Department and that any expenses incidental thereto are proper charges against appropriated funds (Tab A).

5. In view of the above, this Section cannot concur in the recommendation contained in paragraph 3 of O/S 1 above, and it is requested that no change be made in the present procedure for handling such claims.

6 Incls:

- Incl 1 & 2--a/c
- Incl 3--Tab A--Radio fr Sp.Sv.Div., N.Y. to PHILIPPINE AAS dat 25 June 1947
- Incl 4--Tab B--Radio fr PHILIPPINE AAS to Sp.Sv.Div., N.Y., dtd 20 June 1947
- Incl 5--Tab C--Section II, AAS Overseas Bulletin No. 3, 5 Feb. 1947
- Incl 6--Tab D--AAS Overseas Bulletin Nov 11, 9 Aug 1945

DAVID L. WOOD
Lieutenant Colonel, USAF
Chief of Claims Service

N. S. PHILLIPS
Colonel, GSC
Assistant Chief of Staff, G-1

D/END

NOTED: (In pencil)

No additional action at this time.

c/ B. A. W.

(Initials) are those of Lt. Col. Basil E. Wood, Chief of Claims.

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GSAES

AES Claims Investigation

(2) FROM: G-1

TO: Chief of Claims Service

27 June 1947

1. AES Overseas Bulletin No. 11, issued by Headquarters, Army Service Forces, Army Exchange Service, New York, on 9 August 1945, outlines the procedure established for the handling of claims against prewar Post Exchanges where such claims were based upon losses occasioned by enemy action (Tab D).

2. Section II of AES Overseas Bulletin No. 3, 5 February 1947, provides that the procedure outlined in the above-mentioned Overseas Bulletin will remain in effect until 14 July 1948 (Tab C).

3. On 20 June 1947, the PHILRYCOM Army Exchange System requested from the Special Services Division, New York, an interpretation as to whether or not it was the proper function of the Exchange, this Command, to process claims against prewar Exchanges in the Philippines (Tab B).

4. On 25 June 1947, a radio was received from Special Services Division, New York, which indicates that the handling of such claims is considered a supervisory function required of the War Department and that any expenses incidental thereto are proper charges against appropriated funds (Tab A).

5. In view of the above, this Section cannot concur in the recommendation contained in paragraph 3 of G/N 1 above, and it is requested that no change be made in the present procedure for handling such claims.

6 Incls:

- Incl 1 & 2--n/cat
- Incl 3--Tab A--Radio fr Sp.Sv.Div., N.Y. to PHILRYCOM AES dtd 25 June 1947
- Incl 4--Tab B--Radio fr PHILRYCOM AES to Sp.Sv.Div., N.Y., dtd 20 June 1947
- Incl 5--Tab C--Section II, AES Overseas Bulletin No. 3, 5 Feb. 1947
- Incl 6--Tab D--AES Overseas Bulletin No. 11, 9 Aug 1945

BASIL A. WOOD
Lieutenant Colonel, JAGD
Chief of Claims Service

W. S. PHILIPS
Colonel, GSC

Assistant Chief of Staff, G-1

D/ISD

NOTED: (In pencil)

No additional action at this time.

s/ B. A. W.

(Initials) are those of Lt. Col. Basil A. Wood, Chief of Claims.

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GSGL

Transfer of A.E.S. Claims Investigation to A.E.S.

FROM: Chief of Claims Service TO: 1. A.E.S. 7 June 47
2. DG and C/S

(1) 1. Under the provisions of memorandum request from AFFAC, 22 June 45, Claims Service is now investigating and making recommendations on the validity of civilian claims against the Army Exchange Service. At the present time approximately twenty-two (22) claims are on hand, which will require personnel and motor equipment to complete the investigation. Some arose from the Fort Stotsenberg area, others at Fort McKinley.

2. The budget for the operation of Claims Service has been reduced, and the present number of available investigators, and other personnel as well as motor equipment, is insufficient for the prompt investigation and completion of approximately 34,000 pending claims.

3. As the responsibility of final action on the claims rest with A.E.S., and its employees are paid from non-appropriated funds, it is proposed to transfer to A.E.S. all pending claims effective 30 June 1947, and that A.E.S. will process all claims subsequent to such date.

Acting Director
Investigation Division

4. Request concurrence.

(2) FROM: MED TO: MED 24 June

1. Please advise if this still needs checking, or if you have policy action.

2 Incls
1. Copy memo fr AFFAC
22 June 45

BASIL A. WOOD
Lieutenant Colonel, JAGD
Chief of Claims Service

2. Copy reply by Claims
Service, 25 Aug 45

(Initial) B. X

Note: This was written in longhand and the initials are those of Horton Lamb.

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29 October 1947

HEADQUARTERS
CLAIMS SERVICE, PHILRYGOM

INTER OFFICE CHECK SHEET
Do Not Remove From Attached Sheet

GSCLI.OA

Subject: Claims Against the Army Exchange Service

(1) FROM: ADID (45 83) subject: Claims Against the Army Exchange Service TO: DLRD 29 April 1947

1. Request the status of the Army Exchange Service be determined insofar as the immediate responsibility for the investigation of claims arising out of contractual obligations incurred by the AES is concerned.

2. Also request that it be specifically determined whether or not Army Exchange Service, PHILRYGOM, is immediately responsible for the investigation for claims arising out of obligations incurred by the Post Exchanges prior to the occupation of the Philippines by the Japanese.

s/ Pat Hallford
t/ PAT HALLFORD
Acting Director
Investigation Division

(2) FROM: DLRD TO: DID 24 June

1. Please advise if this still needs checking, or if you have completed policy action.

(Initial) B. K

Note: This was written in longhand and the initials are those of Boynton Kamb.

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DECLASSIFIED
Authority: ADR 983078

28 October 1946

SECTION III
ADMINISTRATION

MEMORANDUM for

Captain Smith

Paragraph

Re: Central Welfare Claims Cases

1. Central Welfare claims cases are claims against non-appropriated welfare and sundry funds for goods sold and services rendered prior to the surrender to the Japanese in 1942. Processing of cases of this kind is being made pursuant to instructions contained in letter dated 18 September 1945 (AG 158, 18 Sep 45 SS) subject: "Philippine Claims Against Former Nonappropriated Welfare Sundry Funds" from General Headquarters, United States Army Forces, Pacific. Claims for goods and property furnished are processed like any other procurement case and claims for services rendered are processed like any other wage claim case.

2. Services of mess attendants normally would be paid from ration savings for period unit was operating on garrison rations.

3. Under the provisions of AR 210-50, entitled Posts, Camps, and Stations, Nonappropriated Fund, par 24c(5) and APPAC Reg 75-10, par 17d "all accumulated and unexpended balances from ration savings composed of cash on hand and in bank after payment of all outstanding liabilities, if any, which becomes surplus through inactivation or transfer to the field ration, will be turned in without delay to the nearest disbursing officer for deposit to the credit of the appropriation "Replacing Quartermaster Service, Army." Under this provision claims against ration savings are then payable like any other wage claim or procurement claim.

4. Officially all units of the USAFFE were placed on an automatic daily field ration as of December 1, 1941, as covered in Administrative Order No. 1 to Field Order No. 1, Headquarters, USAFFE same date." (See par 1, 2nd Ind by Brig Gen Chas C. Drake to Claims Service in Statistics Section).

5. In view of this indorsement which determines the date of change from garrison rations to field rations, all claims against ration savings thereafter (December 1, 1941) are then payable from nonappropriated unit funds as provided by AR 210-50, entitled Posts, Camps, and Stations, Nonappropriated Fund, par 24c(4), dated 13 December 1945, and APPAC Reg 75-10, par 17c(4) dated 1 November 45, which reads "Cash and securities remaining in unit, headquarters, or special welfare funds on the date of inactivation will be forwarded to the Army Central Welfare Funds."

6. Other claims against nonappropriated unit funds are payable under the provisions of AR 210-50, entitled Posts, Camps, and Stations, Nonappropriated Fund, par. 24c(4), dated 13 December 1945, and APPAC Reg 75-10, par 17c(4) dated 1 November 1945, as quoted in the preceding paragraph.

/s/ W. F. Pabst
W. F. PABST
2nd Lt., Inf
Investigating Officer

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(APPAC Reg 75-10)

5. LIMITATIONS OF SECTION III ADMINISTRATION - The net working capital of welfare funds is that of the day of each accounting period as designated by the APPAC or MIPAC Central Welfare Funds

Designation of Welfare Funds	6	Middle
Boards, Councils and Custodians	7	tern
Distribution of Dividends of Revenue-Producing Funds	8	Welfare
Limitations on Welfare Funds	9	
Reports	10	
Safeguarding of Welfare and Sundry Funds	11	military
Expenditures Authorized from Nonappropriated Funds	12	
Accounting for Nonappropriated Funds	13	
Auditing of Nonappropriated Funds ..	14	military
Inspections	15	
Transfers of Welfare Funds	16	
Inactivation of Funds and Disposal of Property	17	Strength.

6. DESIGNATION OF WELFARE FUNDS. - The official designation of funds will be as follows: Central Welfare Fund.

- a. APPAC Central Welfare Fund
- b. MIPAC Central Welfare Fund
- c. (Name of Major Echelon) Welfare Fund
- d. Headquarters Fund Regt Div.
- e. Unit Fund Co. Regt.
- f. (Name) Special Welfare Fund.

7. BOARDS, COUNCILS AND CUSTODIANS. - a. Central Welfare Funds will be administered for their respective commands by Boards of Directors, Major echelon funds, headquarters, unit funds, and special welfare funds will be administered by councils, and sundry funds by boards or councils. Each fund will have a duly appointed custodian whose duties and responsibilities will be as enumerated in AR 210-50. Proceedings of boards and councils will be recorded. The records will indicate members in attendance and will be signed the chairman or president.

b. The Board of Directors, APPAC Central Welfare Fund will consist of five officers designated by the Commander-in-Chief United States Army Forces, Pacific. The senior member will be the Chairman of the Board.

c. The Board of Directors, APPAC Central Welfare Funds, will designate a Recorder-Custodian who will be the administrative officer for the Board of Directors. Such officer, enlisted and any civilian assistants as required may be assigned or employed. The Board will exercise for the Commander-in-Chief, United States Army Forces, PACIFIC, the duties and responsibilities exercised for the War Department by the Board of Directors, Army Central Welfare Fund.

d. The Board of Directors, MIPAC Central Welfare Fund consist of five officers designated by the Commanding General United States Army Forces, Middle Pacific.

8. DISTRIBUTION OF DIVIDENDS OF REVENUE-PRODUCING FUND.
 a. Dividends of the MIPAC Exchange Fund and MIPAC Motion Picture Fund will be paid and distributed in accordance with directives of the Commanding General, United States Army Forces, Middle Pacific, who will furnish the Commander-in-Chief, United States Army Forces Pacific, with copies of all such directives.

b. Dividends of the United States Army Forces, Western Pacific Exchange Fund and other exchange funds in the Pacific including occupied territory will be paid to the Army Welfare Fund as directed by its Board of Directors. The board be redistributed in accordance with policies established by the Board of Directors.

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9. LIMITATIONS ON WELFARE FUNDS.- The net working capital of welfare funds is limited as of the last day of each accounting period designated by the AFPAC or MIDPAC Central Welfare Fund. Funds in excess of the following limitations will be paid in the Middle Pacific area to MIDPAC Central Welfare Fund, and in the Western Pacific area including occupied territory to AFPAC Central Welfare Fund.

- a. Major echelon funds - \$1.00 per man based on total military strength.
- b. Headquarters funds - \$0.60 per man based on total military strength.
- c. Unit Funds - \$3.00 per man based on total enlisted strength.
- d. Other Welfare Funds - As prescribed from time to time by the Board of Directors, AFPAC Central Welfare Fund.

10. REPORTS.-a. Whenever a new nonappropriated fund is established a report of its activation, designation, and custodian will be made to the headquarters charged with audit thereof (see paragraph 14).

b. Nonappropriated funds authorized by the regulation will prepare and submit such reports as may be directed from time to time.

11. SAFEGUARDING OF WELFARE AND SUNDRY FUNDS.- a. Custodians will receive, safeguard, disburse and account for funds in accordance with regulations and directives and in observance of policies and procedures prescribed by the board or council of the fund and of the command having jurisdiction over the fund.

b. Working Balances.- Cash in amounts approved by the commanding officer may be kept at the risk of the custodian in his personal possession for necessary cash payment.

c. Bank and Finance Office Deposits.- Cash in excess of amounts required in the working balance will be deposited promptly in banks which are authorized depositories for Federal funds or with a Finance Officer as a special deposit.

d. Absence of Custodians.- In the event the custodian of any fund is absent from his post of duty, on leave or otherwise, for a period exceeding three days and not exceeding ten days, the officer agency having jurisdiction of such funds will appoint a substitute custodian to act in his place. The original custodian will entrust the cash or other assets of the fund to such substitute and will file with the fund account during the period of the regular custodian's absence and upon return of the fund to the regular custodian. If the custodian is absent for a period exceeding ten days, a regularly successor to whom the fund will be transferred may be designated by the appointing authority or commanding officer.

e. Surety Bonds.- At the discretion of the respective councils of nonappropriated funds, custodians will employ the funds from loss in case of default.

f. Loss of Funds. In case of loss of cash or other as fund, other than financial losses incurred in normal operating circumstances will be carefully investigated by a board of interested officers appointed by the commander having jurisdiction over the fund. The Board will include in its report a finding as to the responsibility for the loss and recommendations as to proper action. The proceedings of the Board will be transmitted thru channels to the commander responsible for

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POST EXCHANGE, CENTRAL WELFARE FUND, ORGANIZATIONAL FUNDS, OFFICERS & NCO CLUBS CL-53

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the annual general inspection of the organization or fund concerned for his decision and final action. Stoppage against the pay of an officer in case of an indebtedness to a nonappropriated fund is not authorized.

11. **USARMC Central Welfare Fund and welfare and sundry funds**
g. **Loans.**- Loans from nonappropriated welfare funds other than from Central Welfare Funds are prohibited. by the Commanding General United States Army Forces, Middle Pacific.

12. **EXPENDITURES AUTHORIZED FROM NONAPPROPRIATED FUNDS.**- a. Articles which may be obtained on requisition from a supply service will not be purchased unless they are immediately necessary and are not available for issue at the place required. change of custodians by a higher or other officer designated by the Commanding Officer of the post.
b. Bills will be paid promptly, normally within thirty days after the end of the month in which the obligation was incurred.

13. **INSPECTIONS.**- Inspections will be made by officers of the Insps. c. Purchases may be made for such supplies, equipment and other services as are within the scope of the purpose for which the fund was established which contribute to the entertainment, recreation or comfort of the personnel, provided the procurement for any such article or service is not prohibited or restricted by orders, directives or regulations. If an entire organization is transferred to, reassigned to, or redesignated as another organization, the well-

13. **ACCOUNTING FOR NONAPPROPRIATED FUNDS.**- a. The system of accounts for welfare and sundry funds will be that prescribed by the War Department (Council Book, WE AGO Form 10-4, formerly QMG Form 15 and TM 20-221, February 1945) modified to meet local conditions.

b. The custodians of all welfare and sundry funds are responsible for the maintenance of the necessary books and records to reflect the current status and condition of the respective funds and to provide current data for reporting purposes in accordance with applicable accounting and reporting procedures. Transactions pertaining to a fund will be entered in the accounting records promptly. Accounting records will be retained for 3 years after the date of the final audit and will then be destroyed unless with respect to any entry or omission of an entry a civil claim, criminal action, or military disciplinary action has been initiated. A copy of a financial statement of the status of each fund and of its revenues and expenditures will be given publicity at least quarterly in order that the men of the installation or organization to which the fund pertains may be apprized of its conditions. Such publicity will be obtained through appropriate media or by display of such statements on bulletin boards among other welfare funds to the greatest possible extent. Accounting

c. Each month the custodian of each welfare and sundry fund will prepare a statement of the condition of the fund as of the last day of the preceding month. Accounts will also be closed when an installation is abandoned or a unit inactivated, or when there is a change in custodians. No surplus property donated by the American Red Cross to a welfare fund will be disposed of.

d. **Other Account Records.**- (1) Custodians of welfare funds will maintain records of receipts and collections. Payments from such funds will be made generally by voucher. In the event that preparation of a voucher is not practicable, the custodian will obtain or prepare a memorandum evidencing the transaction authenticated by a commissioned officer. Voucher or memoranda will be maintained in a separate file for a period of at least 3 years.

(2) The custodian of a welfare fund will keep such other records as may be required in order to insure proper accounting for the receipts, expenditures, assets and liabilities of the fund.

14. **AUDITING OF NONAPPROPRIATED FUNDS.**- The following policies are established with respect to the auditing of welfare and sundry funds:

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a. AFPAO Central Welfare. Fund will be audited, semi-annually and upon change of custodian, as directed by the Fiscal Director, General Headquarters, UNITED STATES ARMY FORCES, PACIFIC.

b. MIDPAC Central Welfare Fund and welfare and sundry funds within the Middle Pacific area will be audited at least semi-annually and upon change of custodian, as directed by the Commanding General United States Army Forces, Middle Pacific.

c. All accumulated and unexpended balances from ration savings major echelon, headquarters, unit special welfare and sundry funds in the Western Pacific area including occupied territory will be audited at least semi-annually and upon change of custodians by a disinterested officer designated by the Commanding officer of the next higher echelon of command. Transfers from a welfare fund to a ration savings account are unauthorized. In the event of a change of custodian, the following instructions apply:

15. INSPECTIONS.- Inspections will be made by officers of the Inspector General's Department as required by regulations and orders.

16. TRANSFERS OF WELFARE FUNDS.- a. No cash or other assets of a welfare fund will be transferred to other welfare funds when only a portion of the personnel of an organization is transferred to another organization. If an entire organization is transferred to, reconstituted in, or redesignated as another organization, the welfare funds of the organization, including all assets and liabilities will also be transferred. When a reconstitution results in the declaration of a minor proportion of an organization's strength as surplus such fact will not prevent the transfer of funds hereby authorized.

b. Transfers of funds to successor custodians will be accomplished by transfer of complete records of the fund and the following certificate: "I certify that to the best of my knowledge and belief the attached statements are a complete and accurate record of the status of the fund, revealing all outstanding liabilities and sums due, and that the property owned by the fund is on hand." When necessary, the foregoing form of certificate will be changed to be in accordance with the facts. The successor custodian will receipt for the fund property after satisfying himself of the accuracy of the above statements.

17. INACTIVATION OF FUNDS AND DISPOSAL OF PROPERTY.- a. General. Donated property will not be sold through commercial channels without the prior approval of the donor (see b. below) Surplus property (other than cash and securities) of a welfare fund will be redistributed among other welfare funds to the greatest possible extent. Accordingly, sales of such surplus property through commercial channels are subject to the foregoing provisions, and to such other provisions as may be contained in other pertinent directives.

b. Property donated by American Red Cross.- No surplus property donated by the American Red Cross to a welfare fund will be disposed of except after notice to and consultation with the American Red Cross. All or any portion of such property will be donated to the American Red Cross upon its request.

c. Surplus Property and assets of welfare and sundry funds.- Property owned by welfare and sundry funds which becomes surplus through reduction in strength, inactivation, or because of shipping restrictions at the time of transfer of the organization to a new station will be disposed of as follows:

- (1) By sale at fair value to other welfare or sundry funds.
- (2) By voluntary transfer to other welfare or sundry funds, the American Red Cross, or the United Service Organizations.
- (3) By sale at fair value to other governmental or commercial agencies.

POST EXCHANGE, CENTRAL WELFARE FUND, ORGANIZATIONAL FUNDS, OFFICERS & NCO CLUBS CL-53

DECLASSIFIED

Authority: WDD 98307

HEADQUARTERS AFWESPAC

CHECK SHEET

Do Not Remove From Attached Sheets

Note No. 1 File No. Subject: Disposition of Claims Against the Army Exchange and Central Welfare Fund.

FROM: Chief of Claims, TO: All Officers in-Charge, 29 October 1945
AFWESPAC, APO 707. Branch Offices, and
Team Directors

1. Claims against the Army Exchange and the Central Welfare Fund will not be forwarded to any Claims Commission. (Central Welfare Fund) and "Report and Recommendation of Claims Service on Claim 2." These claims will be investigated in the usual manner, including the report, recommendation, preparation and distribution of Form No. 301 and forwarded to the Director, Claims Investigating Service through the Officers in-Charge of Branch Offices. The Director, Claims Investigating Service will examine the file and prepare the necessary letter of transmittal for the Chief of Claims. In case any team receives information that there will be 3. In reporting completed Post Exchange and Central Welfare Fund claims on Weekly Report Form 302, insert Post Exchange claims under "Disposition of Claims" between lines 23 and 24, and insert Central Welfare Fund claims between lines 24 and 25. These are completed investigations and, for the purpose of calculating the number of investigations completed, the investigating officer will be given the same credit for completed Post Exchange or Central Welfare Fund cases as for those sent to Claims Commissions.

s/ Fred Wade

✓ FRED WADE

Lieut. Colonel, JAGD,

Directing Staff, J. A. Myatt Investigating Service.

t/ J. A. MYATT,

Colonel, GSC,

Chief of Claims.

Copy for: Major P W Becker,
Chief, Manila Branch

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DECLASSIFIED

Authority: NDP 83076

HEADQUARTERS AFWESPAC

CHECK SHEET

Date _____

NAME OF CLAIMANT: Do Not Remove From Attached Sheets: _____

Note No. 1 File No. _____ Subject: Forms for claims against the Central
 Welfare Fund. Province _____

FROM: Claims Service, TO: Major P W Becker Date: 23 October 1945
 AFWESPAC, APO 707 Director, Manila Branch

1. Inclosed is a small supply of "Claims Against Unit Funds (Central Welfare Fund)" and "Report and Recommendation of Claims Service on Claim Against AFPAC Central Welfare Fund" forms to be used in connection with any claims that may be filed against the Central Welfare Fund.
2. Until it has been determined that a large number of this type of claims will be filed, these forms will not be mimeographed, and, in the meantime, it is suggested that these forms be reproduced by typewriter if a few are needed. In case any team receives information that there will be a large volume of this type of claims, it is requested that this office be advised so that the inclosed forms may be mimeographed in quantities sufficient to meet the demands.

FOR THE CHIEF OF CLAIMS:

s/ Fred Wade
 t/ FRED WADE
 Lieut. Colonel, JAGD,

2 Incls: Forms Director, Claims Investigating Service.

No claim for services rendered or property furnished based upon the foregoing has been filed with any other government agency.

I swear that the above statements are true to the best of my knowledge and belief, that the services or the property was furnished by me as above stated, that I have been entitled to receive payment therefor, and that there is nothing owing to the use of _____ as part or whole has been paid, and which amount I agree to accept in full and final settlement of my claim.

Subscribed and sworn to before me this _____ day of _____ (MCCXXXV)

(CENTRAL WELFARE FUND)

Date _____

NAME OF CLAIMANT: _____ Amount _____

Address: _____

Street and Number 1728 Central Welfare Fund

Municipality or Barrio _____ Province _____

Facts as to services or property furnished forming basis of claim:

Statement _____ State No. _____

Address _____ Amount claimed 7

Date filed _____

STATEMENT OF FACTS (List exhibits, and the witnesses, where it is necessary):

The undersigned is an employee of the _____

Investigating Officer

RECOMMENDATION APPROVED.

FOR THE CHIEF OF CLASS:

No claim for services rendered or property furnished based upon the foregoing has been filed with any other government agency.

I swear that the above statements are true to the best of my knowledge and belief; that the services or the property was furnished by me as above stated; that I am legally entitled to receive payment therefor; and that there is justly owing me the sum of \$ _____, no part of which has been paid, and which amount I agree to accept in full and final settlement of my claim.

Claimant

Subscribed and sworn to before me this ____ day of _____ 194__.

(Official)

HEADQUARTERS
CLAIMS SERVICE, AFWPAC

UNITED STATES APO 707

AFPO 500

AG 188 (18) Report and Recommendation of Claims Service, number 1845
Claim Against AFPAC Central Welfare Fund

SUBJECT: Philippine Claims Against Former Misappropriated Welfare and
Funds Funds

TO: AFPAC Central Welfare Fund, APO 500

Claimant	Commanding General, United States Army Forces, Western	Claim No.	_____
Address	_____	Amount Claimed \$	_____
		Date Filed	_____

STATEMENT OF FACTS (List exhibits, and use additional sheets if necessary):
The surrender to the Japanese in 1942 be investigated.

2. The Commanding General, AFWPAC, is charged with the acceptance of such claims on behalf of the Commander in Chief, and with responsibility of investigating such claims in accordance with procedures to be established by agreement between Board of Directors, AFPAC Central Welfare Fund, and your headquarters.

Recommendation and reasons therefor:
will be forwarded to your headquarters, attention Board of Directors, AFPAC Central Welfare Fund.

By command of General MacARTHUR:

Investigating Officer

by H. W. ALLEN
C/O R. W. ALLEN

RECOMMENDATION APPROVED.

Asst. Adjutant General

FOR THE CHIEF OF CLAIMS.

1st Lt.

HEADQUARTERS, CLAIMS SERVICE, AFWPAC, OFFICE OF THE CHIEF OF CLAIMS,
APO 707, 22 September 1945.

THRU: Commanding General, AFWPAC, APO 707.

Date _____
TO : Commander-in-Chief, AFPAC, APO 500.

ACTION BY AFPAC CENTRAL WELFARE FUND

FOR THE CHIEF OF CLAIMS:

JOHN D. HERRIAN,
Captain, JAGC
Adjutant.

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GENERAL HEADQUARTERS
UNITED STATES ARMY FORCES, PACIFIC

AG 158 (18 Sep 45) SS

AFQ 500
18 September 1945

SUBJECT: Philippine Claims Against Former Nonappropriated Welfare and Sundry Funds.

TO : Commanding General, United States Army Forces, Western Pacific, AFO 707

1. In order to maintain the good name and integrity of the Army and its organizations, it is directed that claims against nonappropriated welfare and sundry funds for goods sold and services rendered prior to the surrender to the Japanese in 1942 be investigated.

2. The Commanding General, AFWESPAC, is charged with the acceptance of such claims on behalf of the Commander in Chief, and with responsibility of investigating such claims in accordance with procedures to be established by agreement between Board of Directors, APPAC Central Welfare Fund, and your headquarters.

3. Claims, together with recommendation of the Commanding General, AFWESPAC, will be forwarded to this headquarters, attention Board of Directors, APPAC Central Welfare Fund.

By command of General MacARTHUR:

s/ H. W. Allen
t/ H. W. ALLEN
Colonel, A.G.D.
Asst. Adjutant General

1st Ind.

HEADQUARTERS, CLAIMS SERVICE, AFWESPAC, OFFICE OF THE CHIEF OF CLAIMS,
AFO 707, 22 September 1945.

THRU: Commanding General, AFWESPAC, APO 707.

TO : Commander-in-Chief, APPAC, APO 500.

Appropriate action will be taken by this Office to comply with basic communication.

FOR THE CHIEF OF CLAIMS:

JOHN D. MENRIAM,
Captain, JAGD ,
Adjutant.

CLAIMS SERVICE, AFWESPAC PAC

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File No. Subject: Claims Against Company Funds.

File No. Subject: Claims Against Company Funds.

Note

No.	From	To	File No.	Subject: Claims Against Company Funds.
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4	DCG / 4/9/45	DIS		<p>1. Numerous claimants have requested information under the regulations in force at the present time, company funds and the funds of clubs and associations of enlisted men and officers are regarded as quasi-public funds. These funds are classified by AR 210-50, 1 June 1944 as sundry funds and paragraph 1 of AR 210-50 provides that the nature of the activity of these funds imposes on the War Department the duty of supervising the operation of these funds. Paragraph 5a directs the War Department to supervise the management of sundry funds. Their quasi-public nature is further emphasized by the provision in paragraph 51, AR 210-50 that the property of a non-appropriated fund will not be distributed to any individual. To a limited extent therefore, these funds are considered instrumentalities of the United States.</p> <p>4. Although the U. S. Army may not be legally liable under USAFFE Regulations 1-70, 16 September 1944, adopts the basic plan of AR 210-50 for the control of non-appropriated funds in this theater but goes further than AR 210-50 in providing not only for the supervision of the management of these funds but also for the control of their use, distribution and accumulation (Par. 3a, USAFFE Regulations 1-70). The USAFFE Regulations establish a board of directors of a central welfare fund which has control over all non-appropriated funds in this theater, to the bank of Tokyo. However, it is possible that ultimately war claims may be recognized for such. The USAFFE Central Welfare Fund is authorized to make payments from moneys paid to it to creditors of former headquarters, unit or sundry funds where such funds no longer exist because of the inactivation or disbanding of the installation or unit continued in existence, and where such claims would have been payable from the respective fund.</p> <p>In each case a subrogation Agreement is signed by the USAFFE Central Welfare Fund or its successor, it appears that these are available for the payment of claims and creditors of all company funds and clubs established by military personnel. If, however, its funds are inadequate and if they have been lost to the Japanese Government, redress will have to be sought through a war claim against the Japanese Government. No other remedy appears to be available under the present regulations since the obligations of company funds like the debts of Army post exchanges are not obligations of the United States.</p> <p>5. It is suggested therefore, that if you concur in these views, the problem can be presented to the successor of the USAFFE Central Welfare Fund for comment and recommendation.</p> <p style="text-align: right;">(Initials) (Initials) P. S. B.</p> <p>DIS COC Concur (Initials) s/ P. W. S. t/ P. W. S.</p>
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Authority: ND 283076

CLAIMS SERVICE, AFWESPAC

INTER-OFFICE CHECK SHEET

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Note No. From To File No. Subjects: Claims Against Company Funds.

1	R.G.P. 31/8/ 45.	P.W.B.	<p>1. Numerous claimants have requested information with respect to merchandise sold in 1941 to various Company Funds, Enlisted Men's Clubs, Officers' Clubs, etc.</p> <p>2. Since these claims are not obligations of the U. S. Army, such claims are not being accepted or processed by this office.</p> <p>3. The names of the custodians of such Funds or the disbursing officers of such Clubs are not known, and if known would undoubtedly be found listed as dead, missing in action or as prisoners of war.</p> <p>4. Although the U. S. Army may not be legally liable for these claims, the effect of a lack of redress open to the claimants involved is contrary to that intended by our various claims regulations and statutes, and reflects upon the integrity of the United States Army and Government.</p> <p>5. Most of these Funds carried balances with various banking institutions in the Philippines, and upon occupation the Japanese closed out these balances and transferred the credit to Japan, generally to the Bank of Taiwan. However, it is possible that ultimately war claims may be recognized for such bank deposits or other assets of the Funds may be recovered.</p> <p>6. It is noted that Army Regulations have been changed to permit the Army Exchange Service to assume similar obligations of the various Post Exchanges in this theater. In each case a Subrogation Agreement is signed by the claimant which will later permit the Army Exchange Service to share in such recovery as may be made by the various Post Exchanges.</p> <p>7. It would appear desirable that if no means of honoring these claims can be found under existing regulations and statutes, that the problem be presented to higher headquarters for such action as it may be deemed desirable.</p>
			(Initial) R.G.P. b/ R. G. P.

2	DMIS	DIS	Concur in request of Capt. Phelps
3	DIS	DCC	For comment (Initials)

(Initials) P. W. B.

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Claims Against Post Exchanges

(1)

Chief of Claims,
APWESPAC

TO: D C/S A,
APWESPAC

25 August 1945

1. Although debts of Army Post Exchanges are not obligations of the United States Government or of the Army (Standard Oil Co. v. California, 316 U. S. 481) and although the functions of Claims Service are limited to the consideration and settlement of claims against the United States, we agreed to aid in the investigation of claims against post exchanges incurred in the Philippines prior to 6 May 1942 in order to facilitate final action by the Army Exchange Service.

2. Major Littleton, Army Exchange Service Branch, APWESPAC, receives the files on claims investigated by Claims Service and, in turn, sends them to Army Exchange Service, New York, for final action. Information required to complete the investigation of such claims as are submitted to this Office is obtained by our Investigating Service before the files are forwarded with recommendations to Major Littleton.

3. The only known instance when a post exchange claim has been returned involved one claim which the Army Exchange Service requested claimant to execute an assignment and subrogation agreement as part of the final action taken on the claim by Army Exchange Service. Claimants were reluctant to sign such an agreement before they were paid and since Claims Service has no part in the final settlement of these claims, it was the opinion of this Office that it would not be proper for this Service to obtain this subrogation agreement from claimant.

J. A. MYATT,
Colonel, JAGE,
Chief of Claims.

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CLAIMS SERVICE, AFWESPAC
INTER-OFFICE CHECK SHEET

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Note No. 190 (21 Jan 49) 98 File No. Subject: Post Exchange Investigation

1.	:	RGP	:	PWB	:	1. After conference with Capt. Getling, Special Service,
:	:	:	:	:	:	AFPAC it has been determined that in the future files on the
:	:	:	:	:	:	investigation of Post Exchange Claims, together with the
:	:	:	:	:	:	opinion of Claims Service, should be forwarded by Check Sheet
:	:	:	:	:	:	to Army Exchange Service Branch, Headquarters, AFWESPAC,
:	:	:	:	:	:	APO 707, attention Major Littleton.
:	:	:	:	:	:	2. It is understood that after review of the files,
:	:	:	:	:	:	Major Littleton will send the same to the New York Offices
:	:	:	:	:	:	for final disposition.
:	:	:	:	:	:	all papers and documents coming
:	:	:	:	:	:	in connection with these claims. In the same manner as
:	:	:	:	:	:	the claims were to be paid by appropriated funds.
:	:	:	:	:	:	if necessary data missing, it is requested that

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s/ R. G. P.
t/ R. G. P.

4. After investigation is made and files are in proper form, the papers and documents, along with an opinion as to the validity of the claims, be forwarded to Special Services Office, AFWESPAC for transmittal to Army Exchange Service, New York.

WALTER A. INDICAL
Colonel, A. U. S.
Chief, Special Services

COPY

GENERAL HEADQUARTERS
UNITED STATES ARMY FORCES PACIFIC
SPECIAL SERVICE SECTION

150 (22 Jun 45) SS

AFPO 500
22 June 1945

MEMORANDUM:

TO : Chief, Claims Service, Headquarters, United States Army
Forces, Western Pacific, APO 707

1. A number of claims are being filed by suppliers or their agents relative to obligations incurred in the Philippine Islands by United States Army Post Exchanges prior to May 6, 1942.
2. In order to facilitate final processing, it is requested that your section make an examination of all papers and documents coming to your section in connection with these claims, in the same manner as would be done if the claims were to be paid by appropriated funds.
3. If there is necessary data missing, it is requested that our section instruct the claimant to produce the data for inclusion in the file.
4. After investigation is made and files are in proper form, it is requested that the papers and documents, along with an opinion as to the authenticity of the claims, be forwarded to Special Services Officer, AFWESPAC for transmittal to Army Exchange Service, New York, for final action.

WALTER A. KSTOALF
Colonel, A. U. S.
Chief, Special Services

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HEADQUARTERS COMPTROLLER IN CHIEF
UNITED STATES ARMY FORCES IN THE FAR EAST RGP/efe
OFFICE OF THE CHIEF OF CLAIMS AF-112-50

Held Army Exchange justified in refusing to return merchandise after date of delivery specified in Bull JAG, Apr. 43, p. 175. AFO 501
12 April 1945

MEMORANDUM TO: The Chief of Claims, USAFFE, APO 501.

SUBJECT: Claims against Post Exchanges.

1. A number of contract and adjustment claims have been received by this office in which a post exchange is the real obligor. Neither the Army nor the War Department is responsible for the obligation of post exchanges (see digest of BUL. JAG. decisions prepared by Lt. Whittsett).

2. In a conversation with Lt. Col. Kern, Assistant Chief of Special Services, located on the 3rd floor of this building it was suggested that claims involving post exchanges be referred to his office which will then forward them to the proper post exchange office or unit involved as the case might be. It is desirable and would be most helpful if, before sending such files to Col. Kern, all information which can be gathered locally be obtained and included in the file. Insofar as the investigation might involve the books, records and regulations of post exchanges, such investigation will be made by the post exchange service.

ROBERT G. PHELPS
1st Lt., JAGD
Investigating Officer,
Claims Service, USAFFE.

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DIGEST OF BUL. JAG. DECISIONS COMPILED BY LT. WHITSETTArmy Exchange Service AR-210-50

Held Army Exchange justified in refusing to accept merchandise after date of delivery specified in its order. Bull JAG, Apr. 43, p. 175.

Held Army Exchange contracts for manufacture of clothing are not Government contracts so that contractor has right to freeze labor. Bull JAG, Apr. 43, p. 175. ¹
 Held Army Exchange contracts are not subject to renegotiation because they are not Government contracts. Bull JAG, Mar 43, p. 127. ²
³
⁵

Held debts of Army Exchanges are not obligations of the Government and are in no respect guaranteed by the Government. Bull, JAG, July 43, p. 294.

Held employees of Army Exchange Service and Army Exchanges are not employees of United States within the meaning of Defense Housing Act. Bull JAG, Jan. 43, p. 43.

Held the Federal Government neither assumes nor is liable for any of the financial obligations of Army Exchanges. Cites Standard Oil Co. v. California & Standard Oil Co. v. Johnson, 316 U. S. 481. Bull JAG, Oct. 43, p. 410.

The claim can in no event be entertained under AR 25-25 as a loss incident to non-combat activities of the Army.

3. Asst. DGC
 DGC

Noted.

FEJCO/1154- HEADQUARTERS 302d AAA GUN BATTALION (SEM)
(Squadron Fund of 1st Service Squadron, 23rd Service Group)
APO 955, 23rd Service Group

MEMORANDUM FOR THE CHIEF OF CLAIMS DIVISION, JAG
Room 2105, Warfield Building, Washington 25, D.C.
23 October 1944.

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SUBJECT: Claims for Battery Property purchased with unit funds.
23rd Service Group.

TO : Chief of Theater Claims Service, APO 501.
1. Amount and date of filing: \$228.22 April 1944.

1. On 25 October 1944, this organization was engaged in active combat against the enemy on Leyte, P. I. At about 1920 an enemy plane dropped a bomb or bombs on the position occupied by two of our batteries, destroying government, personal, and battery property almost in total.

2. Army Regulations 25-100 and USAFFE Reg 1-75 claims for personal property lost as a result of enemy action. However there are no provisions as regards battery property purchased with unit funds. This unit requests information as to whether or not there is anyway in which this equipment may be replaced in kind or the monetary value recovered in lieu thereof.

3. Facts: On 17 June 1943, Lieutenant Fred F. Eberner, Army Air Forces Special Services Officer at Anchorage, Alaska, purchased candy and cigars in the amount of \$350 with funds from JAMES F. SPONZO, custodian of the Squadron Fund of 1st Service Squadron, 21st Lt. JAGC. The candy and cigars were to be distributed free to the Bn Claims Officer, 1st Ind. Co of the Army transport at Anchorage, Alaska, for ship-
20 December 1944. While in custody of the Army transportation service a portion of such merchandise, of the value of \$228.22, was lost or pilfered.

TO: Commanding Officer, 502d AAA Gun Battalion (SEM), APO 955.
1st Ind. Co of the Army transport at Anchorage, Alaska, for ship-
20 December 1944. While in custody of the Army transportation service a portion of such merchandise, of the value of \$228.22, was lost or pilfered.

1. The provisions of AR 25-100 are limited in scope to claims for loss, damage, or destruction of private property of military personnel and civilian employees, and do not include claims for loss of organizational property. Section 715 (6), Dig. Op. JAG., 1912-1940. The custodian. Damages are fairly established in the amount of \$228.

2. There is no appropriate statute or regulation which provides for reimbursement for the destruction of Battery property by enemy action. Battery property is the same as company funds and headquarters funds, in that they are all instrumentalities of the United States. JAG Bulletin 1, page 147, Aug. 1942. It has been specifically held that where the claimant is an agency of the Government, there can be no reimbursement to the Government for damage to its own property. JAG. Bulletin 11, page 433, November 1943.

For the Chief of Theater Claims Service.

W. G. ELLIOTT,
Major, FA.,
Assistant.

SFJGD/41576-C
(Squadron Fund of 31st Service Squadron, 23rd Service Group)

MEMORANDUM FOR THE CHIEF OF CLAIMS DIVISION, J.A.G.O.,
Room 2606, Munitions Building, Washington 25, D.C.
23 October 1944.

Subject: Claim of Squadron Fund of 31st Service Squadron,
23rd Service Group.

1. Amount and date of filing: \$228; 22 April 1944.
2. Type: Other - merchandise lost in transit while in custody of Army transportation service.
3. Date and place of incident: 17 June 1943; between Anchorage, Alaska, and Amchitka, Alaska.
4. Claimant's address: 31st Service Squadron, 23rd Service Group, APO NO. 986, U.S. Army.
5. Facts: On 17 June 1943, Lieutenant Fred F. Ebener, Army Air Forces Special Service Officer at Anchorage, Alaska, purchased candy and cigars in the amount of \$350 with funds furnished him by the custodian of the Squadron Fund of 31st Service Squadron, 23rd Service Group. The candy and cigars were to be distributed free to the enlisted men of that unit. On the same date Lieutenant Ebener delivered this merchandise into the custody of the Army transportation service at Anchorage, Alaska, for shipment to Lieutenant Colonel Delmar R. Hughes, custodian of said fund, at Amchitka, Alaska. While in custody of the Army transportation service a portion of such merchandise, of the value of \$228, was lost or pilfered. It never has been accounted for and a claim in that amount has been filed by Squadron Fund, 31st Service Squadron, 23rd Service Group. The official character of Lieutenant Colonel Delmar R. Hughes as custodian is not indicated after his signature on the claim but it is clearly stated in the body of the claim that it is filed in behalf of the named fund and related papers identify Colonel Hughes as the custodian. Damages are fairly established in the amount of \$228.
6. Opinion: The claimant is a unit fund. AR 210-50, 29 December 1942, in force 17 June 1943, when the loss occurred, contained a provision (par. 13a, 2) providing that such funds were instrumentalities of the United States. This office held under AR 210-50, 1 November 1938, which contained the identical provision (par. 15a, 2), that property held by the fund was property of such fund and not the property of the United States.

Chief of Claims Division

SPJGD/41576-G

SPJGA 1942/4705, October 10, 1942 (Bull JAG, Oct., 1942 p. 306); JAG 123, 21 November 1941. This office has also held that the property of an Army exchange was the separate property of the exchange and not the property of the United States or the Army and that, therefore, the exchange owner legally could be a claimant within the acts of December 28, 1922 and July 3, 1943, SPJGC 1942/4872, 18 October 1942, (Bull JAG, Oct., 1942, p. 282); SPJGC 1944/1538, 26 January 1944 (Bull JAG, February, 1944, p. 66). On the same basis the owner fund in this case comes within the purview of the act of July 3, 1943. In the case of Army exchanges, however, the War Department decided, as a matter of policy, not to approve their claims for the reasons that Army exchanges are activities of the War Department, are operated on a profit basis and purchase their supplies from profits on sales. No such reasons of policy exist in the case of unit funds. While such funds are subject to regulation by the War Department and are controlled by applicable Army regulations, the Government has only a regulatory and not a proprietary interest in them. They are the sole property of the enlisted personnel of the unit. Their purpose is to supplement the activities of supply arms and services in contributing to the comfort, pleasure, contentment, and the mental and physical improvement of the enlisted men of the organization. They are not operated on a profit basis. The War Department acts in the nature of a trustee of such funds (JAG 123, 21 Nov. 1941). There are very compelling reasons pertinent to morale why claims against the War Department based on losses resulting to such funds from acts of military personnel should be approved. The property loss was caused by the acts of military personnel acting within the scope of their employment and was not caused in whole or in part by any negligence or wrongful act on the part of the claimant, its agents or employees.

7. Recommendation: The claim of Squadron Fund, 31st Service Squadron, 23rd Service Group, should be approved, in the amount of \$228 under the provisions of the act of July 3, 1943 (57 Stat. 372; 31 U.S.C. 223b).

the secretary is the contracting party for the club, and he is authorized to execute contracts on behalf of the club.

b. All contracts and agreements entered into by the club and approved by the committee will contain, when applicable, the statement that such contracts will be terminated when a club is disbanded, at the option of the club.

1 Incl. c. Contracts on behalf of Acting Chief of Legal Review Branch, File. Claims Division, J.A.G.O.

d. Proposed accession contracts will be prepared on or before 23 October 1944.

e. The foregoing claim of Squadron Fund, 31st Service Squadron, 23rd Service Group is approved in the amount of \$228, as above recommended.

f. Club contracts are solely the responsibility of the club.

g. They are not Government contracts and the distinction between club contracts and Government contracts will be maintained at all times.

/s/ Ralph G. Boyd
RALPH G. BOYD, Jr.
Colonel, J.A.G.D.,
Chief of Claims Division

ARMY REGULATIONS)
No. 210-60)

WAR DEPARTMENT
Washington 25, D.C., 3 April 1947

g. No com POSTS, CAMPS, AND STATIONS the secretary without the prior approval of the board of governors and the post commander.

Officers' and Noncommissioned Officers' Clubs and Messes
and Similar Associations

BY ORDER OF THE SECRETARY OF WAR:

	Paragraphs
Section I. General -----	1-2
II. Establishment and dissolution of post clubs and messes and similar associations -----	3-10
III. Personnel of post clubs -----	11-16
IV. Operation of post clubs -----	17-30
V. Unit and organization clubs and messes -----	31-47

Major General

The Adjutant General EXTRACT

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3. Definition.- a. Officers' and noncommissioned officers' clubs and messes as adjuncts of the Army at post level provide certain services essentially for the convenience, recreation, and social welfare of the officers, warrant officers, and noncommissioned officers and their families stationed thereat. Clubs and messes may include such branches and departments as are necessary to conduct and control properly the activities authorized. Officer and noncommissioned officer club and mess funds are sundry funds as defined in AR 210-50, which together with these regulations will govern club and mess operations.

28. Contracts.- a. Under the provision of these regulations the secretary is the contracting party for the club, and he is authorized to execute contracts obligating the club.

b. All contracts and agreements to which post clubs are parties will contain, when applicable, the statement that such contracts will be terminated when a club is liquidated, or for other reasons at the option of the club.

c. Contracts on behalf of a post club will not cover periods of more than 1 year without the approval of the commanding general of the appropriate command.

d. Proposed concession contracts will be submitted by the post commander to the commanding general of the appropriate command for approval.

e. All contracts involving future performance will be reduced to writing, signed by the contracting parties, and filed in the records of the club.

f. Club contracts are solely the obligation of the club. They are not Government contracts and the distinction between club contracts and Government contracts will be observed and clearly indicated at all times.

AR 210-60

WAR DEPARTMENT
No. 210-60

WAR DEPARTMENT

G. No contract will be executed by the secretary without the prior approval of the board of governors and the post commander.

POSTS, BARRACKS, AND STATIONS

BY ORDER OF THE SECRETARY OF WAR:

Section I.	Basic plan for appropriated funds	Paragraphs 1-5
II.	Classes of funds	6-13
III.	Administration of funds	14-20

OFFICIAL: **EDWARD F. WITSELL**
Major General
The Adjutant General

DWIGHT D. BISHENOWER
Chief of Staff

EXTRACT

1. Funds of clubs and similar associations. - The commanding officer of an installation or organization, when such action is in the interest of the service, may authorize the establishment, maintenance, and operation of funds of clubs and similar associations for military personnel, such as officers' clubs, noncommissioned officers' clubs, aviation cadets' clubs, etc.

- (1) Such clubs and associations will be established, operated, or disbanded in accordance with the provisions of Army regulations, and any provision of the constitutions, charters, and bylaws of such clubs and associations which is inconsistent therewith shall be imperative. The activities of such clubs and associations, so far as not otherwise controlled by Army regulations, shall be controlled and supervised by the commanding officer of the installation or appropriate organization. Nothing in these regulations will be construed, however, as eliminating the necessity and desirability of the existing practice of members of such clubs and associations conducting their immediate operations, in accordance with the provisions of their constitutions, charters, and bylaws as approved by the commanding officer of the installation or organization, through their duly elected club officers, duly elected from the membership thereof, boards of governors, and appropriate committees, and otherwise managing the affairs and activities of such clubs and associations consistent with Army regulations and directives of the commanding officer of the installation or organization.

OFFICIAL:
EDWARD F. WITSELL
Major General
The Adjutant General

DWIGHT D. BISHENOWER
Chief of Staff

ARMY REGULATIONS)
No. 210-50

Washington 25, D.C., 13 December 1945

POSTS, CAMPS, AND STATIONS
Nonappropriated Funds

- Section I. Basic plan for nonappropriated funds - - - - - 1-5
- II. Classes of funds - - - - - 6-13
- III. Administration of funds - - - - - 14-25

EXTRACT

12. Sundry funds.- a. Funds of clubs and similar associations.- The commanding officer of an installation or organization, when such action is in the interest of the service, may authorize the establishment, maintenance, and operation of funds of clubs and similar associations for military personnel, such as officers' clubs, noncommissioned officers' clubs, aviation cadets' clubs, etc.

(1) Such clubs and associations will be established, operated, or disbanded in accordance with the provisions of Army regulations, and any provision of the constitutions, charters, and bylaws of such clubs and associations which is inconsistent therewith will be inoperative. The activities of such clubs and associations, so far as not otherwise controlled by Army regulations, will be controlled and supervised by the commanding officer of the installation or appropriate organization. Nothing in these regulations will be construed, however, as eliminating the necessity and desirability of the existing practice of members of such clubs and associations conducting fund

will be provided in accordance with the provisions of their constitutions, charters, or bylaws as approved by the commanding officer of the installation or organization, through club officers, duly elected from the membership of an activity thereof, boards of governors, and appropriate committees, and otherwise managing the affairs and activities of such clubs and associations consistent with Army regulations and directives

BY ORDER of the commanding officer of the installation or organization.

OFFICIAL:
EDWARD F. WITSELL
Major General
Acting the Adjutant General

DWIGHT D. EISENHOWER
Chief of Staff

- (2) When the commanding officer of an installation or organization determines that the establishment of such a club or association is in the interest of the service, he shall fix the amount of necessary capital, including funds necessary for the purchase of equipment and for initial operations. Such capital may be obtained by borrowing from any appropriate source, or by deposits, or by contributions; provided that arrangements are made for the prompt repayment of loans from the revenues of the club or association; all contributions are accepted only as gifts to the club or association; and that deposits and contributions are accepted with the express condition that no person making a deposit or contribution will thereby acquire or own any funds or property of the club or association or possess any enforceable right or interest therein. No member of such club or association will have, by reason of his participation either with or without the making of a deposit, any enforceable right or interest in any fund or property of the club or association; provided that, so long as the financial condition of the club or association warrants, the commanding officer of the installation or organization may provide by general regulation for the refund of any deposit, in whole or in part, without any accretion whatever, at the termination of such member's participation in the club or association.

b. Mess funds.- Post mess funds are sundry funds. Post messes may be established as provided by AR 210-60. A separate mess fund will be provided for each mess so established and will be administered in accordance with the provisions of these regulations, as they apply to clubs and similar associations, and the provisions of AR 210-60. Where an Army exchange exists at an installation, the operation of post messes as defined in AR 210-60 may be performed by the Army exchange officer as an activity of the exchange under AR 210-65 upon request of the commanding officer of the installation or organization and, under such circumstances, no separate fund as such will be established.

* * *
BY ORDER OF THE SECRETARY OF WAR:

OFFICIAL:

EDWARD F. WITSELL
Major General
Acting the Adjutant General

DWIGHT D. EISENHOWER
Chief of Staff