

VETERANS OF FOREIGN WARS OF THE UNITED STATES  
**DEPARTMENT OF MINNESOTA**

**DEPARTMENT RULES GOVERNING CLUB APPLICATIONS AND OPERATION**

**DEFINITION OF A CLUB:**

A club shall be defined as an activity sponsored by a Post or other subordinate unit of the Department of Minnesota, Veterans of Foreign Wars. This includes bars, bingo, gambling and food services for which a license or permit is required in quarters owned, rented or otherwise occupied by or under direct supervision of each Post or Unit. It shall be the responsibility of the Department Club Committee to enforce and execute the following:

**1. CLUB MANAGEMENT**

- A. A House or Club Committee shall be elected by the Post members in accordance with Article II, Section 217 of the Manual of procedure to manage the business affairs of the Club. The committee shall consist of not less than three (3) members and not more than nine (9) members serving staggered terms of three years with annual elections. Any member in good standing is eligible to serve on the committee except Trustees, Club Managers and full time employees. (Any employee working in excess of twenty (20) hours per week shall be considered a full time employee.) Service on the Club Committee shall not be construed as conflicting with Section 215 of the Manual of Procedure of the Veterans of Foreign Wars since election to the House or Club Committee is not one of the elected officers in paragraph 2 of Section 216.
- B. To avoid possible "conflict of interest", Post officers should not be employees of the club operations. The Club Manager should be a member, if at all possible, of the respective Post and be bonded properly. Managers, Assistant Managers and full time employees shall not serve on the Club Committee, except Auxiliary members may serve in a non-voting advisory capacity.
- C. The House or Club Committee shall employ such personnel, including manager, as shall be necessary. If qualified, Post and Auxiliary members should have preference in employment. No member of the House or Club Committee shall serve as manager. If a Post Commander is employed as Club Manager, he shall relinquish his position as an ex-officio member of the House or Club Committee to the Post Sr. Vice Commander.
- D. The Manager and House or Club Committee shall be held responsible by the Post Commander and the Post membership for strict enforcement of Club Regulations, local ordinances, State and Federal Laws applicable to the operation of said Clubs. The Post membership may over rule any action of the House or Club Committee by majority vote at any scheduled Post meeting, except for changes in the By-Laws which require written notice.
- E. Adequate insurance coverage should be a must for every Post that has a Club. The State Law requires that you have Liquor Liability (Dram Shop) Insurance for Club Liquor Licenses. This should not be confused with General Liability Insurance that provides for accidents on the premises. Posts should consult with their local insurance agencies to provide adequate insurance coverage to protect their Post against any and all losses.

**2. BY-LAWS & RULES**

- A. Each Post, existing or new, shall establish By-Laws approved by the Post membership for the operation of Club Facilities. (District Club Committeemen shall be able to assist and advise.) All clubs shall be incorporated under the Post and each Corporation must be filed with the County records or with the Secretary of State. Any filings after the date of these rules must file with the Minnesota Secretary of State.
- B. All Post Clubs and associated organizations shall observe Department of Minnesota V.F.W., Local, State and Federal Laws relative to the operation of private clubs, the sale of intoxicating liquors, bingo and gambling. Under proof of a violation, the Department of Minnesota, V.F.W. Club Permit shall be revoked by the Department Commander upon recommendation of the District Club Committeeman or

Club Coordinator. The first offense shall be for thirty (30) days; the second for sixty (60) days and the third time will be a permanent revocation.

- C. All Posts are required to keep accurate financial accounting of Club Operations, Bingo and Gambling and must make written monthly reports to the Post membership, the Post Quartermaster and to Post Trustees so the quarterly Audit can be filled out and sent to Department Headquarters. Failure to comply will result in suspension of Club Permit after the second quarterly audit is not received on time.
- D. In compliance with the National V.F.W. By-Laws and Manual of Procedure, all funds must be under control of the Post Quartermaster. All checks must be signed by the Quartermaster and countersigned by the Post Commander. All Gambling checks must be signed by the Gambling Chairman and countersigned by the Commander.
- E. Each Unit of the Veterans of Foreign Wars and subordinate units, which shall include the Ladies Auxiliary, M. O. C. and Auxiliary and any other unit using the Veterans of Foreign Wars name, that sponsors a Club or Gambling shall be required to pay a Club Permit Fee due on the 1<sup>st</sup> of July each year. The fee shall be \$60. 00 if paid prior to October 1<sup>st</sup>, after which there will be a \$5.00 penalty per month. If the Club Permit Fee plus penalties is not paid by the 1<sup>st</sup> of January, the Club Permit of said Club will be suspended by the Department Commander. Checks in payment of Club Permit Fee shall be made payable to the Department of Minnesota, V.F.W. and such monies shall be placed in a separate fund and used only in payment of such legitimate charges as the cost of mileage and expenses for the inspection of Clubs, mileage of District Club Committeemen to Committee meetings and such other expenses as are incurred in the direct supervision of or aid to Club operations, unless otherwise voted by a majority of the delegates at a V.F.W. State Convention. Posts failing to keep an appointment with a District Club Committeeman for an inspection shall be charged for the mileage and expenses for any additional visits required to complete said inspections.
- F. The District Club Committeeman shall have additional responsibility for inspection and control for gambling, bingo and other financial operations.
- G. All V.F.W. Clubs and associated organizations shall comply by the established V.F.W. Club Rules. Failure to do so will result in disciplinary action as defined in paragraph four (4).
- H. These rules supercede all prior rules and regulations governing V.F.W. Clubs. Approved as amended - July, 1994 Council of Administration - Spring Lake Park.

### **3. CLUB OPERATIONS**

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- A. All Posts are required to use a "Guest Book". All guests shall sign name, address and the member that they accompany, before being served. Posts shall check membership cards at all times. Bartenders and Managers should be cautioned that this must be done unless they are absolutely sure that the person is a member of the Post. The privileges of the clubs shall not be extended to persons not members of the Veterans of Foreign Wars. Members of the Post may, however, invite non-members to enjoy the hospitality of the club as "bona fide" guests. The member shall be responsible for the conduct and behavior of the non-member.
- B. Club privileges shall be denied members and guests who violate the rules of behavior as posted in the club. Such rules shall be determined by the Post Club Committee and posted in the Club. Bartenders and employees shall be bound by the same rules. Any employee who violates the rules and regulations as set forth shall be subject to dismissal; such dismissals shall be subject to appeal to the Post Membership.
- C. Cards shall be checked, unless you know the person to be a member. Continued non-member abuse may be a cause for the IRS to audit your books and your Post may be liable to pay Federal Income Tax on a percentage of the non-members business and also might jeopardize the tax exempt status of your Post.
- D. There must be a notice posted conspicuously in the Post clubrooms showing the opening and closing hours and days of the week when open for business. A copy of these rules, as well as any other rules which govern the operation of the club, must be posted.

- E. Regardless of the type of license your Post has no advertising may be placed that says "Open to the Public" or "Public Invited".
- F. All clubs shall remain closed during any Post meeting when said meeting is being held in the same building or in the same locality if such operation of the said club shall interfere with the success of the meeting. This decision is to be made by the Post Commander and/or District Commander.
- G. Posts not holding proper licenses or permits for Clubs, Bingo or Gambling are in violation of the law. Such Posts shall take immediate steps to bring themselves with in the law. Failure to do so will cause suspension of their V.F.W. Club Licenses and close the Club operation until corrective action has been taken. Any changes in the status of the club; re: change in type of license; sale of property; re-location or close of business; must be immediately reported to the Department Club Coordinator and Department Commander.
- H. All Posts having a license to sell liquor by the drink, (Club Liquor or open On Sale License, Bottle Club (BYOB) or 3.2 beer, NO CONSUMTION OR DISPLAY shall be permitted before the hours of 8:00 A. M. or after 1: 00 A.M. on weekdays. Serving of liquor on Sundays requires a separate license by the local community after paying a separate fee. These rules are established by the Minnesota Liquor Commission and apply to every V.F.W. Post that holds any of the above licenses.
- I. All unsolved club problems including, bar, restaurant, bingo and gambling on a Post level shall be directed to the District Club Committeeman who shall direct the need for further action through channels to the Department Club Coordinator. If problems continue to exist, the Post may appeal directly to the Department Club Coordinator.

#### **4. CLUB INSPECTIONS**

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- A. The Post shall furnish to the District Club Committeeman, a set of the Club By-Laws and regulations as approved by the Post Membership, information on ownership, incorporation and financial arrangements.
- B. Post Clubs shall cooperate with their District Club Committeeman on the periodic visits and the Post Quartermaster shall make available all the Club, Bingo, Gambling and other records, including tax form. The Post shall make every effort to carry out the Inspectors suggestions in regard to correcting faults and operating in such a manner as to create a good public image in the community.

#### **5. SPECIAL RULES**

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- A. A Post may be associated with another service organization for license approval only. They shall not begin operation as an associated Club until approval is granted by the Department Council of Administration. Such jointly operated clubs shall be subject to the same club inspection as V.F.W. Clubs. All MOC Pup Tents operating Clubs, even though affiliated with a V.F.W. Post, shall be subject to all V.F.W. permits, inspections and regulations.
- B. With the changes in the Copyright Act, it is no longer necessary for Posts that provide live music to be licensed by ASCAP or BMI, provided that the Post does not advertise its dances as "OPEN TO THE PUBLIC" or "PUBLIC INVITED" and the profits from such dances are used for Community Service projects.
- C. Cities that have "Off Sale" establishments and wish to dispose of same, Posts may be eligible to assume such licenses provided that it is approved by the local governing body, setting fee, hours of operation, etc. Off Sale may be on the same premises of the Club.

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