

## **INSTRUCTIONS FOR COMPLETING THE POST INSPECTION REPORT**

Make every effort to answer each question accurately and completely. Some questions require dollar amounts or dates to be inserted. The purpose of the Inspection Report is to provide the State Commander and the State Inspector with a factual report on the operating condition of the Post. If you don't complete the report carefully and properly, you are denying the State Commander and State Inspector information they need to do their job. Do not limit your comments when reporting deficiencies; it may be necessary to attach an additional comment sheet.

### **Question Specific Reminders**

1. By-Laws of the organization (all levels) should be readily available to all members. Posts that have adopted by-laws need to have a copy on file that indicates the Commander-in-Chief has reviewed for compliance. Verify date of review. If out of date, suggest an internal review.
2. Posts that have adopted Articles of Incorporation need to have a copy on file that indicates the Commander-in-Chief has reviewed for compliance. Verify date of review, date filed with appropriate state agency, the name of the incorporated unit and that the registered agent and officers (if applicable) have been updated to correspond with the previous election of officers. All Posts must be incorporated under the laws of their state to protect members' personal assets from seizure and sale.
3. Verify the following positions are properly filled: Commander, Senior Vice Commander, Junior Vice Commander, Quartermaster, Judge Advocate, Chaplain, Surgeon, three (3) Trustees, Adjutant, Officer of the Day, Service Officer, and Guard.
4. Verify delegates to the District, County Council (if applicable), Department and National Conventions were elected in accordance with Section 222 of the National By-Laws/Manual of Procedure. This can be done by checking the meeting minutes.
5. Any "NO" answer in this section indicates a neglect in duties and responsibilities as prescribed in Section 218 of the Manual of Procedure.
6. Verify, using meeting minutes, that applications for membership are being handled in accordance with Section 103 of the National By-Laws.
7. The National By-Laws, Section 203, states every Post shall hold at least one regular meeting per month.
8. Verify, using meeting minutes, that committee reports are given, discussed and accepted. This includes activities like the canteen, bingo, etc.
9. Activity reports assist the Post when their non-profit status is being questioned by the IRS and further indicate whether or not they are upholding Article I Section 230102 of the Congressional Charter, the purposes of our organization.
10. Verify, using meeting minutes, that the Post made arrangements to properly observe Memorial Day, Veterans Day, Flag Day, and Loyalty Day.
11. Section 1101 and 1301 of the National By-Laws discusses the formation and control of Auxiliaries.
12. Distribution of the VFW Buddy Poppy helps raise monies for the Post's relief fund.
13. Although subjective, Posts need to be continually encouraged to develop programs for membership recruiting and retention.
14. Monthly review of Post receipts and expenditures by the Trustees is required in Section 218 the National Manual of Procedure.
15. Quarterly audits are required of all accounts. This item includes any canteen, clubroom, bingo, etc., Post trustees must complete this audit not later than the month following the last day of each quarterly period (e.g. August 1, November 1, February 1 and May 1). Failure to conduct the audits, as required, will invalidate the Post Quartermaster bond.
16. Evidence of checking and savings account balances should be verified from the latest statements, copies of CD's, notes, etc. If the bank balances do not coincide with the books, after adjustments for outstanding checks, etc., this should be reported in detail. Discrepancies should immediately be brought to the attention of the Post Commander and Trustees. The Post Quartermaster must be bonded in a sum equal to the liquid assets for which he is accountable, and to which he has access.
17. Verify bonding company and expiration date by viewing a copy of the certificate.
18. Reference Section 703 of the National By-Laws.
19. Verify all questions in this section by examining quartermaster records, adjutant records and by-laws.

Remember, Section 709 of the National By-Laws further require that the Post Quartermaster have custody of all funds of the subordinate unit and subject to the same Rules and Regulation as Post Funds.

The Post Quartermaster is required to maintain a Dues Reserve Fund. One-half of the Post's portions of current years' dues are to be credited to the Dues Reserve Fund and not used until the next membership year, which begins July 1. The purpose of this fund is to provide the incoming Commander with additional funds to operate the Post during the new administrative year.

The Internal Revenue Service requires all VFW Posts to file annually a form 990 "Tax Exempt Organizations Tax Form". A Post may also have to file a Form 990T and pay certain taxes if it has nonrelated business income. Failure to file the forms, when required to do so, can result in severe fines and penalties. Enter the date of the last filing; even if the report for the current year has not yet been completed or is not yet due. Each Post is mandated, by IRS rules, to have their current 990 filing available for public viewing.
20. Every Post is required to have a Federal Employer Identification number.
21. Expenditure of funds requires a vote on the Post floor, and approval by the Post Commander before a Quartermaster can proceed with the disbursement. In some instances, Post By-Laws may allow for certain expenditures to be paid without a vote on the floor, these are usually reoccurring bills. If a Post Commander is not approving expenditures, he is violating the trust placed in him and is not controlling the expenditure of Post monies.
22. Buddy Poppy distribution net receipts are to be credited to the Relief Fund only, Section 219 of the National By-Laws and used only as stated in Section 219 of the Manual of Procedure.
23. The National By-Laws state the Post Quartermaster will disburse funds using acceptable banking practices. The Post Quartermaster may authorize other persons, but they must be bonded in accordance with Section 703 of the National By-laws. However, if the Post by-laws require the Commander and Quartermaster signatures on checks, they must adhere to the Post By-Law.
24. Checks shall never be "pre-signed" by any officer and is not considered an acceptable banking practice.
25. Last appraised value or estimated value shall be entered. Monthly payment and amount owed are necessary; mark "N/A" if the amount is zero. Title holder may be a bank or lender, if the property is totally paid for, enter location and holder of the deed. If the Post does not own real property, please note if they rent.
26. It is desirable that the Post be covered by adequate liability insurance. If someone suffers an injury on Post property or at a Post sponsored activity, a subsequent lawsuit may subject all the assets of the Post and its members to a judgment. The Post officers should be reminded of this potential problem.

Any Post owning property and/or operating any facility must maintain general liability insurance, including, if necessary or appropriate, liquor liability insurance. Such insurance must name, as additional insured's, the Veterans of Foreign Wars of the United States and the Department in which the Post is located. Verify by viewing policy(s).
27. Each Department must adopt a document retention policy which complies with federal and state law.
28. Departments may require additional forms for inspecting licensed operations.

# VETERANS OF FOREIGN WARS OF THE UNITED STATES POST INSPECTION FORM

POST NO.	CHARTERED LOCATION (CITY & STATE)	DISTRICT NO.	DEPARTMENT	INSPECTION DATE
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- 1) Are organizational By-Laws readily available to Post members?..... 

YES	NO
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  - a) Has the Post adopted by-laws in accordance with Section 202 of the National By-Laws?..... 

YES	NO
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  - b) Date reviewed by the Commander-in-Chief: \_\_\_\_\_
- 2) Is the Post incorporated in accordance with Section 708 of the National By-Laws?..... 

YES	NO
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  - a) Name of incorporated unit: \_\_\_\_\_
  - b) Date reviewed by the Commander-in-Chief: \_\_\_\_\_
  - c) Date filed with appropriate state agency (e.g., Secretary of State): \_\_\_\_\_
  - d) Has the name and contact information of the registered agent been updated with appropriate state agency?..... 

YES	NO
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- 3) Are all officer positions filled as prescribed in Section 216 of the National By-Laws?..... 

YES	NO
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- 4) Are Post delegates elected in accordance with Section 222 of the National By-Laws?..... 

YES	NO
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- 5) Does the Post adjutant...
  - a) Maintain books and records in a legible and uniform format?..... 

YES	NO
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  - b) Maintain a file containing a copy of the original application of every member admitted into the Post?..... 

YES	NO
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  - c) Maintain a file of meeting minutes after correction and approval?..... 

YES	NO
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  - d) Maintain a file of current orders or circulars issued from higher authority?..... 

YES	NO
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  - e) Maintain a correspondence file?..... 

YES	NO
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  - f) Maintain a file containing proof of eligibility submitted by officers?..... 

YES	NO
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  - g) Maintain a current copy of Department and National By-Laws?..... 

YES	NO
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- 6) Are applications for new, reinstated and transferring members read and voted on for approval?..... 

YES	NO
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- 7) Does the Post hold at least one meeting per month?..... 

YES	NO
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- 8) Do committee chairmen summarize their activities during meetings and allow for comments and discussion from the membership?..... 

YES	NO
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- 9) Are Post program accomplishments reported in accordance with Department By-Laws and/or guidelines?..... 

YES	NO
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- 10) Does the Post observe commemorative dates as mandated in Section 223 of the National By-Laws?..... 

YES	NO
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- 11) Does the Post have an auxiliary (Men's or Ladies)?..... 

YES	NO
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  - a) Is there proper cooperation between the Post and its auxiliary unit(s)?..... 

YES	NO
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- 12) Does the Post distribute Buddy Poppies?..... 

YES	NO
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  - a) Date of last distribution: \_\_\_\_\_
- 13) Does the Post have an effective membership recruiting and retention program?..... 

YES	NO
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- 14) Do the elected trustees review the monthly report of receipts and expenditures?..... 

YES	NO
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- 15) Do the elected trustees audit quarterly all books and records of the Post quartermaster, Post adjutant and any activity, clubroom, holding company or unit sponsored, conducted or operated by, for or on behalf of the Post?..... 

YES	NO
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  - a) Date of last trustees report of audit: \_\_\_\_\_
- 16) Post funds:
 

<ol style="list-style-type: none"> <li>a) Balance of all checking accounts..... \$ _____</li> <li>b) Balance of all savings accounts..... \$ _____</li> <li>c) Balance of all CD and bond accounts..... \$ _____</li> <li>d) All other account types..... \$ _____</li> <li>e) Total of all accounts..... \$ _____</li> <li>f) Amount of quartermaster bond..... \$ _____</li> </ol>	<ol style="list-style-type: none"> <li>g) Do all account ledger balances match the balance of reconciled bank statements?..... <table border="1" style="float: right; border-collapse: collapse;"><tr><td style="width: 20px;">YES</td><td style="width: 20px;">NO</td></tr></table></li> <li>h) Is the quartermaster bond (f) greater than the total of all accounts (e)?..... <table border="1" style="float: right; border-collapse: collapse;"><tr><td style="width: 20px;">YES</td><td style="width: 20px;">NO</td></tr></table></li> </ol>	YES	NO	YES	NO
YES	NO				
YES	NO				
- 17) Name of bonding company: \_\_\_\_\_ Expiration date of bond: \_\_\_\_\_
- 18) Are additional officers accountable for funds, bonded in accordance with Section 703 of the National By-Laws?..... 

YES	NO
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- 19) Does the Post quartermaster...
  - a) Maintain books and records in a legible and uniform format?..... 

YES	NO
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  - b) Receive and properly transmit membership dues as required?..... 

YES	NO
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  - c) Maintain a dues reserve fund in accordance with Section 717 of the National By-Laws?..... 

YES	NO
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  - d) Does the dues reserve fund reflect payment of annual and life members?..... 

YES	NO
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  - e) Date dues reserve fund last transferred to general fund: \_\_\_\_\_
  - f) Maintain a relief fund in accordance with Section 219 of the National By-Laws?..... 

YES	NO
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  - g) Have care and custody of all committee funds?..... 

YES	NO
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  - h) Report on transactions concerning receipts and expenditures at Post meetings?..... 

YES	NO
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  - i) File appropriate forms as required by federal, state and local statutes?..... 

YES	NO
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  - j) Date of last 990 filing: \_\_\_\_\_ k) Is the 990 filing available for public inspection?..... 

YES	NO
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- 20) Post Federal Employer Identification Number (EIN): \_\_\_\_\_
- 21) Are all expenditures voted on by the Post membership and approved by the Post Commander?..... 

YES	NO
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- 22) Are expenditures from the relief fund in accordance with Section 219 of the National By-Laws?..... 

YES	NO
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- 23) Are signatures authorizing the disbursement of funds done in accordance with Post By-Laws?..... 

YES	NO
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- 24) Are checks pre-signed by any authorized officer?..... 

YES	NO
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- 25) Does the Post own real property?..... 

YES	NO
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  - a) Appraised Value: \$ \_\_\_\_\_ Monthly Payment: \$ \_\_\_\_\_ Amount Owed: \$ \_\_\_\_\_
  - b) Title Holder: \_\_\_\_\_
- 26) Does the Post carry all proper types of insurance?..... 

YES	NO
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  - a) Are both the Veterans of Foreign Wars of the United States and Department named as additional insured's?..... 

YES	NO
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- 27) Does the Post retain documents in accordance with the Department's Document Retention Policy?..... 

YES	NO
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- 28) Does the Post operate a clubroom/canteen or other state licensed entity such as Bingo? (Department Inspection Form Required)..... 

YES	NO
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INSPECTOR COMMENTS :

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POST COMMANDER: \_\_\_\_\_  
PRINT AND SIGN

INSPECTOR: \_\_\_\_\_  
PRINT AND SIGN

The Inspector shall provide a copy of each inspection to the Post Commander, District Inspector, and Department Inspector and set forth therein any constructive criticism and recommendations.  
MAINTAIN IN POST FILE AS A PERMANENT RECORD