



DEPARTMENT OF THE NAVY
BUREAU OF NAVAL PERSONNEL
5720 INTEGRITY DRIVE
MILLINGTON, TN 38055-0000

BUPERSINST 1710.22
PERS-658
5 Jun 01

BUPERS INSTRUCTION 1710.22

From: Chief of Naval Personnel

Subj: NAVY FLYING CLUB (NFC) PROGRAM

Ref: (a) DODI 1015.10 of 3 Nov 95
(b) DOD 7000.14-R, vol 13 of Aug 94 (NOTAL)
(c) Federal Aviation Regulations (FARS)
(d) Part 830, National Transportation Safety Board,
Accident or Incident Reporting
(e) NAVSO P-1000, vol 7,
(f) BUPERSINST 5890.1
(g) SECNAVINST 5300.22C
(h) BUPERSINST 5300.10
(i) DOD 5500.7-R of Aug 93,
(j) Joint Federal Travel Regulations, vol 1
(k) Joint Travel Regulations, vol 2
(l) Naval Supply Systems Command Manual, vol 2,
(m) DOD 4160.21-M of Aug 97
(n) SECNAVINST 3770.1C
(o) OPNAVINST 3750.6Q
(p) OPNAVINST 5100.23E
(q) BUPERSINST 7510.1
(r) SECNAVINST 5212.5D
(s) OPNAVINST 5102.1C
(t) SECNAVINST 5720.42F

Encl: (1) Navy Flying Club (NFC) Program Operating Manual

1. Purpose. To issue policies, procedures, and responsibilities for Navy flying clubs (NFCs).

2. Scope and Content. Enclosure (1) contains essential information regarding establishment, operation, and disestablishment of NFCs. Provisions of this instruction are applicable to all personnel and commands involved with or administering NFCs.

3. Revisions. Recommendations for revision of this manual are invited and should be submitted to Navy Personnel Command (NAVPERSCOM) (PERS-658) via the chain-of-command.

4. Action. Commands now administering management of NFCs, or contemplating establishment of a flying club, will review the contents of this instruction against present or proposed flying club procedures to ensure compliance.

5. Reports and Forms

a. The following reports are approved for 3 years from the date of this instruction:

<u>Report Symbol</u>	<u>Title</u>	<u>Para/Append</u>
BUPERS 1710-18	NFC Annual Report	904/A
BUPERS 1710-19	Report of Establishment/ Disestablishment of a NFC	105,106,906
BUPERS 1710-20	Report of Navy-Loaned Aircraft Out of Service	303c/E
BUPERS 1710-21	NFC Preliminary/Update/ Final/Aircraft Mishap Report	902c/(2)/F
BUPERS 1710-22	NFC Unusual Occurrence Report	903/G
BUPERS 1710-23	Report of Receipt/Transfer of Navy Loaned Aircraft	303a

b. DD 1348-1 (Mar 74), DOD Single Line Release Receipt Document (S/N 0102-LF-013-1040) is available in the Naval Inventory Control Point using requisitioning procedures contained in CD-ROM NAVSUP PUB 600(NLL), Navy Stock List of Publications and Forms.

c. DD 2400 (May 94) (EG), Civil Aircraft Certificate of Insurance, DD 2401 (May 94) (EG), Civil Aircraft Landing Permit and DD 2402 (May 94) (EG), Civil Aircraft Hold Harmless Agreement is available at Website <http://web1.whs.osd.mil/>.

d. The following forms may be obtained from the nearest Federal Aviation Administration (FAA) Flight Standards District Office:

(1) AC 8050-1 (Dec 90), Certificate of Aircraft Registration (FSN 0052-00-628-9007)

5 JUN 2001

(2) AC 8050-2 (Sep 92), Aircraft Bill of Sale (FSN 0052-00-629-0003)

(3) NTSB Form 6120.1, NTSB Form 7020.2, Pilot/Operator Aircraft Accident Report



G. L. HOEWING

Rear Admiral, U.S. Navy

Deputy Chief of Naval Personnel

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5 Jun 01

NAVY PERSONNEL COMMAND

NAVY FLYING CLUB (NFC) PROGRAM

OPERATING MANUAL

BUPERSINST 1710.22
5 Jun 01

LOCATOR CROSS-REFERENCE SHEET

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NFC PROGRAM OPERATING MANUAL

CONTENTS

INDEX

ALPHA LISTING BY TOPIC.....1

CHAPTER

PAGE

1. GENERAL INFORMATION.....1-1

PARAGRAPH

101. PURPOSE.....1-1

102. OBJECTIVES OF THE FLYING CLUB PROGRAM.....1-1

103. STATUS OF FLYING CLUBS.....1-1

104. SCOPE.....1-1

105. ESTABLISHMENT.....1-2

106. DISESTABLISHMENT.....1-5

CHAPTER

2. MANAGEMENT, ORGANIZATION, AND ADMINISTRATION.....2-1

PARAGRAPH

201. GENERAL RESPONSIBILITIES.....2-1

202. ADMINISTERING ACTIVITY RESPONSIBILITIES.....2-2

203. ANNUAL INSPECTION.....2-3

204. BOARD OF DIRECTORS.....2-3

205. MEMBERS OF THE BOARD OF DIRECTORS.....2-4

206. FLYING CLUB MANAGER.....2-6

207. CHIEF FLIGHT INSTRUCTOR.....2-8

208. FLIGHT INSTRUCTORS.....2-9

209. CATEGORIES OF MEMBERSHIP.....2-10

210. SELECTION OF MEMBERS.....2-14

211. MEMBERS' PRIVILEGES AND RESPONSIBILITIES.....2-15

212. TRANSFER OF MEMBERSHIP.....2-14

213. INTERCLUB FLYING.....2-15

214. MEMBERSHIP AND TRAINING FOLDER.....2-15

215. PILOT INFORMATION CARD (PIC).....2-16

216. COVENANT NOT TO SUE, HOLD HARMLESS AND INDEMNITY
AGREEMENT.....2-16

217. GENERAL MEMBERSHIP MEETINGS.....2-17

218. AIRCRAFT AUTHORIZED UTILIZATION.....2-17

CHAPTER

3. AIRCRAFT, EQUIPMENT, AND SUPPLIES.....3-1

PARAGRAPH

301. ACQUIRING AIRCRAFT.....3-1

302. FACTORS TO BE CONSIDERED IN ACQUIRING AIRCRAFT.....3-2

303. GOVERNMENT-LOANED AIRCRAFT.....3-3

304. GOVERNMENT-LOANED AIRCRAFT STRICKEN (TRANSFERRED)
TO THE NFC PROGRAM3-4

305. AIRCRAFT AND ENGINE REPLACEMENT PARTS.....3-5

306. SUPPLY SUPPORT AND ACCOUNTING PROCEDURES.....3-6

307. INVENTORIES.....3-6

308. REGISTERING AND OBTAINING CERTIFICATION FOR AIRCRAFT....3-7
309. DISPOSITION OF NAF PURCHASED AIRCRAFT.....3-8
310. DISPOSAL OF GOVERNMENT-OWNED AIRCRAFT.....3-9

CHAPTER

4. OPERATIONS, TRAINING, AND STANDARDIZATION.....4-1

PARAGRAPH

401. DEFINITIONS.....4-1
402. GENERAL OPERATIONS AND RULES OF FLIGHT.....4-1
403. FLIGHT PUBLICATIONS.....4-2
404. UNAUTHORIZED ACTIVITIES.....4-4
405. PILOT RESTRICTIONS.....4-5
406. AIRCRAFT RESTRICTIONS.....4-7
407. VFR WEATHER MINIMUMS.....4-7
408. AUTHORIZED PILOTS AND PASSENGERS FOR FLYING CLUB
AIRCRAFT.....4-7
409. PREFLIGHT CHECKS.....4-8
410. REQUIRED EQUIPMENT.....4-9
411. DEPENDING ON THE TYPE OF FLIGHT, THE FOLLOWING.....4-9
EQUIPMENT SHALL BE ON THE AIRCRAFT
412. SCHEDULING OF AIRCRAFT.....4-10
413. NOTIFICATION OF FAILURE TO RETURN ON SCHEDULE.....4-10
414. STANDARDIZATION BOARD.....4-10
415. REQUIRED FLIGHT CHECKS.....4-11

416. WRITTEN TESTS.....4-12

417. QUALIFICATION AND CURRENCY.....4-13

418. FLIGHT PLANNING REVIEW AND CLEARANCE FOR FLYING CLUB
PILOTS.....4-14

419. LANDING AND DEPARTING MILITARY BASES.....4-16

420. LANDING PERMITS.....4-16

421. TRAINING PROGRAM.....4-16

422. CHECK-OUT PERFORMANCE STANDARDS.....4-18

423. CHECK-OUT IN SINGLE-ENGINE FIXED GEAR AIRCRAFT.....4-18

424. CHECK-OUT IN SINGLE-ENGINE RETRACTABLE GEAR AIRCRAFT...4-19

425. CHECK-OUT IN MULTI-ENGINE AIRCRAFT.....4-20

CHAPTER

5. SAFETY.....5-1

PARAGRAPH

501. GENERAL FLYING CLUB SAFETY POLICY.....5-1

502. DUTIES AND QUALIFICATIONS OF FLYING CLUB SAFETY
OFFICERS.....5-1

503. SEMI-ANNUAL SAFETY AWARENESS DAY.....5-3

504. ADMINISTERING ACTIVITY SAFETY ADVISOR.....5-4

505. SAFETY MEETINGS.....5-5

506. MISHAP INVESTIGATION.....5-5

507. GROUND SAFETY.....5-6

CHAPTER

6. AIRCRAFT MAINTENANCE.....6-1

PARAGRAPH

601. GENERAL MAINTENANCE POLICY.....6-1
602. MAINTENANCE PROGRAM.....6-1
603. MAINTENANCE OFFICER.....6-2
604. ADMINISTERING ACTIVITY MAINTENANCE ADVISOR.....6-6
605. MAINTENANCE CHECK FLIGHTS.....6-6
606. MAINTENANCE TURNS.....6-6

CHAPTER

7. FINANCIAL MANAGEMENT.....7-1

PARAGRAPH

701. LOCAL MWR FUND FINANCIAL MANAGEMENT.....7-1
702. POLICIES AND PROCEDURES.....7-1
703. MWR BASE LEVEL ACCOUNTING SYSTEM (BLAS).....7-2
704. RESPONSIBILITIES.....7-4
705. APPROPRIATED FUND (APF) SUPPORT.....7-7
706. NAF SUPPORT.....7-7
707. FRAUD OR OTHER DISHONEST ACT.....7-7
708. AUDIT AND INSPECTION.....7-8
709. RECORDS MANAGEMENT.....7-8
710. INVESTMENTS.....7-8

711. RECORDING OF FINANCIAL TRANSACTIONS.....7-8
712. TAXES.....7-8
713. PAY AS YOU FLY POLICY.....7-9
714. ADVANCE PAYMENT/BLOCK TIME POLICY.....7-9

CHAPTER

8. INSURANCE.....8-1

PARAGRAPH

801. LIABILITY AND HULL INSURANCE.....8-1
802. INSURANCE COVERAGE.....8-1
803. PREMIUMS.....8-1
804. TYPES OF INSURANCE COVERAGE PROVIDED.....8-2
805. ENTITIES COVERED BY AVIATION INSURANCE.....8-2
806. PROPERTY COVERAGE CONDITIONS.....8-3
807. PROMOTIONAL PROGRAMS.....8-3
808. FLIGHTS TO MEXICO.....8-3
809. REPORTING OF CLAIMS AND LOSSES.....8-4
810. REQUESTS FOR CLARIFICATION OF INSURANCE COVERAGE.....8-4

CHAPTER

9. REPORTING PROCEDURES.....9-1

PARAGRAPH

901. RESPONSIBILITY.....9-1
902. MISHAP REPORTING.....9-1

903. UNUSUAL OCCURRENCE REPORTS.....9-3
904. ANNUAL REPORT.....9-4
905. REPORTING OF RECEIPT/TRANSFER OF NON-STRICKEN,
NAVY-LOANED AIRCRAFT.....9-5
906. REPORT OF ESTABLISHMENT/DISESTABLISHMENT OF A NFC 9-5

APPENDIX

A. ANNUAL REPORT.....A-1
B. NFC INSPECTION CHECKLIST.....B-1
C. SAMPLE NFC MANAGER STANDARD POSITION DESCRIPTION.....C-1
D. SAMPLE COVENANT NOT TO SUE, HOLD HARMLESS AND INDEMNITY
AGREEMENT.....D-1
E. REPORT OF NAVY-LOANED AIRCRAFT OUT OF SERVICE.....E-1
F. NFC PRELIMINARY/UPDATED/FINAL AIRCRAFT
MISHAP REPORT.....F-1
G. NFC UNUSUAL OCCURRENCE REPORT.....G-1

INDEX

ALPHA LISTING BY TOPIC

<u>SUBJECT</u>	<u>CHAPTER</u>	<u>PARAGRAPH</u>	<u>PAGE</u>
Administering Activity Responsibilities	2	202	2-2
Administering Activity Advisors	2	202	2-2
Safety Advisor	5	504	5-4
Maintenance Advisor	6	604	6-6
Operations Advisor	4	402	4-1
Aircraft Authorized Utilization	2	218	2-17
Aircraft and Engine Replacement Parts	3	305	3-5
Aircraft Mishap Reporting	9	901	9-1
Responsibility			
Aircraft Mishap Reporting	9	902	9-1
Unusual Occurrence Report	9	903	9-3, G-1
Preliminary/Update/Final	9	902	9-2, F-1
Mishap Report			
Aircraft Mishap Investigation	5	506	5-5
Aircraft Registration and	3	308	3-7
Certification			
Aircraft Restrictions	4	406	4-6
Aircraft Transfer and Receipt	4	905	9-5
Reporting Procedures for Navy			
Loaned Aircraft			
Acquiring Aircraft	3	301	3-1
Factors to be Considered	3	302	3-2
When Acquiring Aircraft			
Annual Inspection	2	203	2-3
Annual Report	9	904	9-4, A-1
Appropriated Fund Support	7	705	7-7
Audits and Inspections	7	708	7-8
Authorized Pilots and Passengers	4	408	4-7
in Flying Club Aircraft			
Board of Directors	2	204	2-3
Members Responsibilities	2	205	2-4
Check-out Procedures	4	421	4-18
Single-Engine Fixed Gear	4	422	4-18
Single-Engine Retractable	4	423	4-19
Multi-Engine	4	424	4-20

<u>SUBJECT</u>	<u>CHAPTER</u>	<u>PARAGRAPH</u>	<u>PAGE</u>
Chief Flight Instructor	2	207	2-8
Covenant Not to Sue/Hold Harmless	2	216	2-17, D-1
Definitions	4	401	4-1
Disestablishing a Flying Club	1	106/906	1-5, 9-5
Disposal of Government Aircraft	3	310	3-9
Disposition of Nonappropriated Aircraft	3	309	3-8
Establishing a Flying Club	1	105/906	1-2, 9-5
Financial Management (Local MWR Fund)	7	701	7-1
Policy and Procedures	7	702	7-1
MWR BLAS System	7	703	7-2
Responsibilities	7	704	7-4
Appropriated Fund Support	7	705	7-7
Nonappropriated Fund Support	7	706	7-7
Fraud or Other Dishonest Acts	7	707	7-7
Audit and Inspections	7	708	7-8
Records Management	7	709	7-8
Investments	7	710	7-8
Recording Financial Transactions	7	711	7-8
Taxes	7	712	7-8
Pay as You Go	7	713	7-9
Advance Payment/Block Time	7	714	7-9
Flight Clearance Authority	4	401	4-1
Flight Instructors	2	208	2-9
Flight Planning Review and Pilot Clearance	4	418	4-14
Flight Publications	4	403	4-2
Forms			
DD 1348-1, DOD Single Line Release/Receipt	3	304/308	3-4/3-7
AC 8050-1, Certificate of Aircraft Registration	3	308	3-7
AC 8050-2, Aircraft Bill of Sale	3	308	3-7
NTSB 6120.1 or NTSB 7020.2, Pilot/ Operator Aircraft Accident Report	9	902	9-2
Fraud and Other Dishonest Acts	7	707	7-7
General Flying Club Safety Policy	5	501	5-1
General Maintenance Policy	6	601	6-1
General Membership Meetings	2	217	2-17
General Operations and Rules of Flight	4	402	4-1
General Responsibilities	2	201	2-1

<u>SUBJECT</u>	<u>CHAPTER</u>	<u>PARAGRAPH</u>	<u>PAGE</u>
Government Loaned Aircraft Out of Service Report	3	303	3-3/E-1
Government Loaned Aircraft Stricken from Navy Active Inventory	3	304	3-4
Ground Safety (NAVOSH) Officer Inspection Checklist	5	507	5-6 B-1
Insurance Claims and Losses	8	809	8-4
Insurance Coverage Clarification	8	810	8-4
Insurance Coverage	8	802	8-1
Entities Covered	8	805	8-2
Flights to Mexico	8	808	8-4
Property Covered	8	806	8-3
Types of Coverage	8	804	8-2
Promotional Programs	8	807	8-3
Insurance Premiums	8	803	8-1
Insurance Requirements	8	801	8-1
Interclub Flying	2	213	2-15
Inventories	3	307	3-6
Landing and Departing Military Bases	4	419	4-16
Landing Permits	6	420	4-16
Maintenance Advisor (Command)	6	604	6-6
Maintenance Check Flights	6	605	6-6
Maintenance Program	6	602	6-1
Maintenance Turns	6	606	6-6
Maintenance Officer (Club)	6	603	6-2
Manager Responsibilities Position Description	2	206	2-6 C-1
Members Responsibilities	2	211	2-14
Membership Categories	2	209	2-10
Membership and Training Folders	2	214	2-15
Membership Transfers	2	212	2-14
Nonappropriated Fund Support	7	706	7-7
Objectives of the Program	1	102	1-1
Pilot Information Cards (PIC)	2	215	2-16
Pilot Restrictions	4	405	4-5
Preflight Checks	4	409	4-8
Purpose of the Program	1	101	1-1
Qualification and Currency	4	417	4-13
Required Equipment	4	410	4-9
Equipment Depending Type of Flight	4	411	4-9
Required Flight Checks	4	415	4-11
Safety Advisor (Command Appointed)	5	504	5-4

<u>SUBJECT</u>	<u>CHAPTER</u>	<u>PARAGRAPH</u>	<u>PAGE</u>
Safety Meetings	5	505	5-5
Safety Officer (Club) Duties and Qualifications	5	502	5-1
Scheduling Aircraft	4	412	4-10
Failure to Return on Schedule	4	413	4-10
Scope of Flying Clubs	1	104	1-1
Selection of Members	2	210	2-14
Semi-Annual Safety Awareness Day	5	503	5-3
Standardization Board	4	414	4-10
Status of Flying Clubs	1	103	1-1
Supply Support and Accounting Procedure	3	306	3-6
Training Program	4	420	4-16
Unauthorized Activities	4	404	4-4
VFR Weather Minimums	4	407	4-7
Written Tests	4	416	4-12

Chapter 1

GENERAL INFORMATION

101. Purpose. To issue policies, procedures, and responsibilities for operation of NFCs in a manner that promotes morale, fiscal soundness, operational safety, and the best interests of U.S. Navy.

102. Objectives of the Flying Club Program. To provide an off-duty, voluntary educational opportunity for active duty military personnel, their families, and other authorized personnel to develop skills in aeronautics, including piloting, navigation, mechanics, and other related aero sciences.

a. Provide an opportunity for naval aviators to maintain pilot proficiency skills while assigned to non-flying billets.

b. Encourage an awareness and appreciation of aviation requirements and techniques.

c. Provide a facility designed to assist in meeting the recreational needs for low-cost, safe, light aircraft operations.

d. Provide a social program in the interest of promoting club activities and morale.

103. Status of Flying Clubs. Flying clubs are designated in reference (a) as category C Morale, Welfare, and Recreation (MWR) activities. While flying clubs are voluntary, off-duty, and self-supporting activities, they enjoy the status of a nonappropriated fund instrumentality (NAFI) of the Federal Government and shall be operated under the supervision of U.S. Navy. As instrumentalities of the Federal Government, NFCs shall not be incorporated under State or local law. Assets of NFCs are assets of the U.S. Government.

104. Scope. Policies and procedures contained in this instruction are applicable to all NFCs, their administering activities, and their members, regardless of location. All personnel responsible for implementing a NFC will also comply with applicable procedures published in Federal Aviation Regulations (FARs) and National Transportation Safety Board

(NTSB) Aircraft Regulations. Installation commanders outside the United States may request from NAVPERSCOM (PERS-65), via the chain-of-command, waivers to this instruction as necessary to comply with rules and regulations of the host country. Request to waiver any other portion of this instruction will be directed, via the chain-of-command, to NAVPERSCOM (PERS-65) who will coordinate the request as necessary with other interested offices and staffs.

105. Establishment

a. Commanders and commanding officers (COs) of naval activities are authorized to administer flying clubs within their respective commands. Each flying club shall carry the name of its activity's location. For example, a club formed at Naval Air Station, Jacksonville, would be named "Jacksonville NFC." Flying clubs shall be locally structured under the management of the military MWR organization. Similar to the support services provided to other MWR activities, such as auto hobby shops, marinas, golf courses, etc., the local MWR organization will support the flying club (e.g., personnel, payroll, procurement, marketing, publicity, internal controls, accounting and banking) on the same basis as support is provided to other MWR program elements defined in reference (a). To establish a flying club, the CO will

(1) conduct a base-wide survey to determine

(a) anticipated initial membership size of the club.

(b) growth potential of the club.

(c) type of flying desired, such as student, cross-country, or flight training for additional ratings.

(d) type of aircraft desired to meet club membership requirements (this will determine whether to obtain government aircraft, purchase civilian aircraft, or lease of civilian aircraft).

(e) probability for solvency of a club.

(2) call a meeting of interested personnel to review results of the survey. If results indicate that it is feasible to establish a flying club, proposed charter will be prepared.

(3) appoint an interim flying club manager until a NAF full-time or flexible employee can be hired as manager.

(4) appoint individuals eligible for and interested in membership to direct the club temporarily until elected and duly appointed advisors officially assume duties. These individuals will familiarize themselves with the contents of this instruction and other governing directives. Additionally, they will

(a) form a Board of Directors (BOD).

(b) write initial club constitution, bylaws, and standard operating procedures (SOPs) which include, but are not limited to, the following:

1. Membership categories.
2. Membership application and expulsion procedures.
3. Duties and responsibilities of each member of the BOD.
4. Quorums and meetings.
5. Aircraft scheduling procedures.
6. SOPs for flight regulations (training, local area, cross-country, emergency recall, etc.) and enforcement procedures.
7. Safety (to include Premishap Plan).
8. Aircraft maintenance procedures.
9. Tool control program.
10. Fuel quality assurance program.

11. Cash handling.
12. Personnel administration and payroll.
13. Procurement
14. Accounting processes.
15. Internal controls.

b. Authority to establish a NFC will be requested by letter (Using Report Symbol BUPERS 1710-19) from the CO, via the chain-of-command, to NAVPERSCOM (PERS-658F). Club aircraft may be based aboard the administering activity where adequate facilities exist. Basing the club aboard the administering activity lends itself to better supervision of the club. A statement will be included listing the facilities to be made available to the club, affirming that provision of facilities or services will not interfere with the mission or operations of the command. In some cases, however, basing clubs at nearby, adequate civilian airfields may be more appropriate. Location where club aircraft are based, operated, and maintained will also be specified in the letter requesting club establishment. If the club is to be located off a military installation, i.e., at a civilian facility, an approved lease agreement (signed by one of the requesting command's contracting officers and the civilian air facility governing authority) must be executed prior to the flying club operating off base at the designated civilian air facility. The local Engineering Field Division/Engineering Field Activity of Naval Facilities Engineering Command is available to provide assistance in executing the lease on a reimbursable basis. Leases should be made per General Counsel of the Department of Defense Memorandum of 18 June 1988 "Leasing for nonappropriated Fund Instrumentalities". Additionally, following items will be included in the letter requesting club establishment:

(1) Draft club Constitution and Bylaws (May be disseminated as a command instruction, e.g., NAS Brunswick - NASBINST 1710.22).

(2) Draft initial operating instructions.

(3) Develop a 12 month financial plan that includes a proposal for obtaining initial operating capital (if required).

c. Upon receipt of written approval for establishment of a NFC, the CO will ensure the club does not commence operation until

(1) provisions required by this instruction have been satisfied.

(2) administering activity's operations, maintenance, safety, and command evaluation staffs have conducted a pre-operational inspection. When completed, the inspection team will brief the CO, MWR director, flying club manager, and flying club BOD. Flying club manager will then certify in writing to the MWR director that all discrepancies are corrected and furnish a copy of the inspection report, BUPERS 1710-19, with corrective actions noted, to the CO. The CO's written approval of the report with corrective actions will be forwarded to NAVPERSCOM (PERS-658F) as an enclosure to a letter requesting authority to commence operation.

d. Flight operations may begin only upon receipt of final written approval from NAVPERSCOM (PERS-658F).

106. Disestablishment

a. Disestablishment will be effected per reference (b), paragraph C0308, and this instruction. CO will report disestablishment of a NFC by letter (Using Reporting Symbol BUPERS 1710-19), via the chain-of-command, to NAVPERSCOM (PERS-658F), stating the date of final dissolution. If the club has an aircraft on loan from Navy that has not been stricken from the Navy Inventory List, disposition instructions will be requested from Chief of Naval Operations (CNO) (N88). If the club has an aircraft that has been stricken from the Navy Inventory List, redistribution of the aircraft within the NFC program will be administered by NAVPERSCOM (PERS-658F). If the club has an aircraft stricken from the Navy Inventory List that is no longer airworthy and beyond economical repair, disposition instructions will be requested from Naval Inventory Control Point (Code 03432.06) by NAVPERSCOM (PERS-658F).

5 Jun 01

b. Upon receipt of notification that a NFC is to be disestablished, the CO, assisted as required by the chain-of-command and NAVPERSCOM (PERS-658F), will take such action deemed necessary to preclude careless or extravagant expenditure of assets prior to dissolution of the fiscal entity. During the draw-down period up to actual closing, disbursements will be limited to essential expenses, future commitments will be canceled, and contractual agreements renegotiated or canceled. Disposition of club-owned fixed assets and inventories will be accomplished per reference (b). Residual cash assets will be forwarded to NAVPERSCOM (PERS-658F) for placement into the NFC Program Central Fund.

c. Should an individual club default on payment of a loan or other obligation or be disestablished with insufficient assets to liquidate outstanding obligations, the remaining clubs in the program may be subject to assessment as necessary to cover any shortages. Such default, however, would reflect adversely on the management procedures and capability of the command, which administered the club. Near completion of the dissolution process, a terminal audit of the flying club will be performed. Upon final dissolution, the terminal audit report will be endorsed by the CO and forwarded, via the chain-of-command, to NAVPERSCOM (PERS-658F).

Chapter 2

MANAGEMENT, ORGANIZATION, AND ADMINISTRATION

201. General Responsibilities. NAVPERSCOM (PERS-658F) is Program Manager for NFCs. Administration and supervision are command functions of the activity establishing the club pursuant to regulatory control by Department of the Navy (DON), NAVPERSCOM (PERS-658F), and chain-of-command. CNO (N88) and Commander, Naval Safety Center (COMNAVSAFECEN) (Code 10) can provide aeronautical and technical expertise in support of the NFC program, as required.

a. Program Manager. NAVPERSCOM (PERS-658F) is responsible for administering the NFC Program, including

(1) coordinating provisions of policy, technical guidance, and oversight necessary for administration of day-to-day operations of NFCs.

(2) maintaining records of active and disestablished clubs, aircraft inventories, and addresses of local and intermediate points of contact.

(3) maintaining liaison with individual club officials and local and intermediate commands to provide policy interpretation, advice, and assistance.

(4) coordinating centrally provided support to the NFC program such as data processing, review of fiscal oversight (that is administered by local command evaluation staff), aircraft distribution, and insurance issues.

(5) conducting bi-annual on-site reviews of local flying club operations (or more often if necessary) to ensure adequate program management oversight.

b. NAVPERSCOM (PERS-658F) has responsibility to temporarily suspend operations for any questionable act or omission affecting flight safety and will make an immediate report to the CO of reasons for suspending operations. CO, after investigation, may then request from NAVPERSCOM (PERS-65) approval to permanently suspend club operations.

202. Administering Activity Responsibilities. The CO will

a. ensure, within the capabilities of the command, the club has hangar, ramp space, and other facilities such as classroom, meeting, or maintenance spaces. If adequate base facilities are not available, or their use would impinge on installation operational requirements, the CO may authorize the club to operate at a nearby, adequate civilian airport. If a lease or contractual agreement acquires the use of civilian facilities, the nearest Regional Naval Facilities Engineering Command office (see paragraph 105(b)) must approve the lease or contract agreement. Any lease for use of facilities at a civilian airport shall permit inspection by U.S. Navy.

b. appoint (active duty military personnel from the command), in writing, a

(1) command operations advisor (paragraph 402).

(2) command safety advisor (paragraph 504).

(3) command maintenance advisor (paragraph 604).

Note. If there are insufficient military advisory candidates within the command, the CO may coordinate with tenant commands (on the installation) to meet the military advisory requirement.

c. ensure

(1) administration of NFC is organized under the management and administration of the local MWR department.

(2) MWR organization provides support services functions (e.g., personnel, payroll, procurement, marketing and publicity, internal controls, accounting) for flying club on the same basis as support is provided to other MWR program elements.

(3) MWR organization maintains flying club funds and financial records separate from those of other MWR programs.

(4) administrative and operational procedures are developed and maintained that comply with references (c), (d), (e), and this instruction.

(5) liability and hull insurance requirements for the NFC comply with reference (f) and this instruction.

(6) a working relationship is coordinated and maintained with local Federal Aviation Administration (FAA) personnel.

(7) flying club is included in all command inspection evaluations such as fire, environmental hazardous material (HAZMAT), and command evaluation.

(8) command appointed advisors maintain liaison with the club by attending BOD meetings, safety meetings, club standardization meetings, etc., on a periodic basis to the degree necessary to ensure compliance with reference (c) and this instruction.

203. Annual Inspection. Administering activity CO will conduct an unannounced annual inspection of the NFC. Inspection team (made up of command representatives from safety, operations, maintenance, and command evaluation or internal audit board) will use the checklist in appendix B and the financial procedures contained in reference (b) as guidance for accomplishing the review. Report of the inspection will be provided to the MWR director for action. A complete inspection report with notations of corrective action taken will be provided to the local CO within 60 days of completion of the inspection. Actions, which have not been taken within that period, will remain open until completed. A copy of the most recent annual inspection report will be included as an enclosure to the NFC Annual Report.

204. Board of Directors (BOD). The BOD's function is to assist the CO, program administration, and manager in operating the club in a safe, efficient, and businesslike manner. The BOD shall consist of at least six voting members. The majority of the BOD should be active duty military personnel. The remaining positions may be filled by other categories of club members who are in good standing.

a. Voting members of the BOD are president, vice president, operations officer, safety officer, maintenance officer, and secretary. These members are elected from the general membership. Additional non-voting members, such as chief flight instructor, may be elected or appointed as determined locally.

MWR director and club manager shall be non-voting members of the BOD. Command advisors shall attend the BOD meetings in a non-voting advisory capacity.

b. BOD shall meet as necessary, but no less than quarterly, and keep minutes which indicate the attendance of all members (including non-voting members). President will sign completed minutes and forward them for approval to the CO. Approved BOD minutes do not constitute authority for obligation or expenditure of nonappropriated funds (NAF). This authority is obtained through established budget procedures.

c. Overall operation of the club is the direct responsibility of the CO, including implementation of and adherence to FAA policy, safety, maintenance, and flight procedures. BOD may consider and recommend (in its meeting minutes) items such as club hours of operation and associated work schedules; membership fees; sales and acquisitions, lease, and disposal of aircraft; aircraft rental rates; flight instructors to be used; and net profit objectives. Members of the BOD are responsible for ensuring implementation and adherence to the CO's directives and guidance. BOD has supervisory authority over members' flying privileges whenever their involvement in acts of drug/alcohol abuse, willful misconduct, or gross negligence have been substantiated by investigation and reviewed by appropriate authorities.

205. Members of the BOD. Members may hold only one voting position on the BOD. A position description, outlining specific duties and responsibilities, will be written for the following positions:

a. President. Serves as spokesperson and shall preside at all club and BOD meetings.

b. Vice President. Assumes duties of the president when the president is absent or disabled.

c. Operations Officer. Responsible for club flying operations. This individual must work closely with the CO, command operations advisor, and chief flight instructor. The operations officer will chair the club standardization board and monitor the training programs for club operated aircraft to

ensure compliance with SOPs. The operations officer will be at least a private pilot with 200 flying hours.

d. Safety Officer. Safety officer will conduct an aggressive accident prevention program. Safety officer works closely with the command safety advisor, FAA Accident Prevention Specialists, and various general aviation experts to develop and maintain a rigorous and pro-active mishap prevention program. Safety officer shall be at least a private pilot with 200 flying hours. Specific duties and responsibilities of the safety officer are outlined in chapter 5.

e. Maintenance Officer. Maintenance officer will manage the maintenance program following provisions outlined in chapter 6. Maintenance officer is to ensure an aggressive, pro-active approach is taken to identify and correct aircraft discrepancies and to ensure compliance with aircraft inspections per reference (c). Maintenance officer will develop a written positive tool control program. Maintenance officer should have an aircraft maintenance background gained from either military or civil aviation. Although not mandatory, it is desirable that the maintenance officer has an FAA Airframe and Powerplant (A&P) mechanic's certificate. The maintenance officer should be at least a private pilot with 200 flying hours.

f. Secretary. Serves as club recorder and keeps minutes of the BOD and general membership meetings. Secretary will notify BOD members and staff personnel of BOD meeting times and dates and disseminate information to BOD members.

g. CO's Appointed Advisors. Although non-voting members of the BOD, operations, safety, and maintenance advisors, and MWR director will serve in an advisory capacity to the club to provide guidance as determined by the CO. They are not required to join the club to function in their advisory capacity.

206. Flying Club Manager. The NFC must have a manager. Club manager cannot be a contractor, but must be a full-time, part-time, or flexible NAF employee of the flying club (Sample copy of the NFC Manager Position Description is provided in appendix C). References (g) and (h) govern the employment of personnel by a NFC. Provisions of reference (g) with respect to retired and active duty military personnel must be strictly

adhered to. Under the general supervision of the MWR director, the manager has overall responsibility for all operational aspects of the club's operation.

a. Flying club manager works under general supervision of the MWR director. BOD will be provided an opportunity to comment on any contemplated personnel actions affecting the club manager.

b. Manager will conduct club's daily business using the club instructions, this directive, applicable Department of Defense (DOD), Navy, FAA, NTSB regulations, and base directives. Manager will ensure no conflict of interest exists for club members who have aircraft leased to the club. Manager (assisted as required by members of the BOD) is assigned the following duties and responsibilities, which include, but are not limited to:

(1) Maintaining a flight schedule for all flights on a first-come, first-serve basis.

(2) Maintaining bulletin boards, charts, status boards, and the pilot's information files ((PIF) 1 and 2)).

(3) Maintaining membership and training folders, flight currency records, pilot information files (PIFs), pilot information cards (PICs), safety and annual currency records.

(4) Immediate reporting of accidents, incidents, unusual occurrences, overdue aircraft, or other information pertinent to safety to the CO, club and command safety and operations officers.

(5) Checking club supply functions to ensure proper control and storage of equipment and prompt disposal of excesses.

(6) Monitoring the performance of all contractors to ensure they comply with all provisions of their contract. Instances of non-compliance or non-performance will be documented and reported to the BOD and MWR director for appropriate action.

(7) Manager has the responsibility and authority to stop any flying club pilot, local or transient, from flying when, in their judgment, flight safety may be compromised.

(8) Immediately suspend membership privileges of any member suspected of having engaged in negligent acts, willful misconduct, drug or alcohol abuse. Suspension will remain in effect pending FAA's (if flight violation), BOD's and CO's evaluation and recommendation. While under suspension, the member will not be authorized use of club privileges or required to pay club dues.

(9) Establish mandatory equipment list for survival gear for type of flight being flown, e.g., survival vests for over-water flights.

(10) Retain flight instructors as club employees or independent contractors.

(11) Ensure club members who lease aircraft to the club are not in a position to affect flight instruction or aircraft scheduling procedures for personal gain.

(12) Ensure compliance with FAA maintenance directives, including Airworthiness Directives (AD) that apply to the aircraft operated.

(13) Conduct physical inventories as required by reference (b) and per processes and procedures established by the local MWR business office.

(14) Ensure a positive means of securing unattended aircraft, and implement procedures to prevent members from flying an aircraft with an uncorrected discrepancy that may adversely affect safety of flight.

(15) Ensure a written quality assurance program is established for fuels, to include replacement of filters and inspection of fuel storage tanks and pumping equipment sumps for contamination. Commercial fuel vendors must meet the standards established by American Standards Institute, and fuel storage facilities must meet standards prescribed in National Fire Protection Association, as well as meet State, local, and base regulations.

(16) Perform periodic cost analysis (assisted by MWR business office and club treasurer, if necessary) to ensure adequate aircraft rental fees.

(17) Develop a plan to recall or shelter aircraft in event of hazardous weather advisories.

(18) Correct deficiencies noted during all club inspections and file completed reports for future inspectors and evaluators.

(19) Designate in writing a chief flight instructor.

(20) As required, review Aircraft Discrepancy Books for completeness.

(21) Submit requests for procurement items to MWR business office for processing.

(22) Perform those functions outlined in chapter 7, paragraph 704(c), of this instruction.

(23) Comply with financial management policies and uniform accounting processes and procedures per reference (b) and the local MWR business office.

207. Chief Flight Instructor. Chief flight instructor must be a certified flight instructor appropriately rated for all pilot training courses offered. Minimum duties of the chief flight instructor shall include

- a. manage the club training program;
- b. define flight instructor's duties and responsibilities;
- c. maintain pilot training records and folders for all club members;
- d. if the club is Part 141 approved, maintain training techniques, procedures, and standards per reference (c);
- e. train all club Flight Clearance Authorities in flight clearing duties and responsibilities;

f. ensure proper endorsement of student certificates and logbooks as required in Federal Aviation Regulation (FAR) part 61; and

g. develop standard operating procedures (SOP) to be used by all club flight instructors. SOPs are to be part of the club instructions as required by this directive. They will contain, at a minimum, the following:

(1) Member/instructor assignments.

(2) Procedures for standardized flight checks and training.

208. Flight Instructors. May be retained as NAF employees of the flying club or hired through services contracts (personnel hired through services contracts are not NAF employees). In both cases, care should be exercised to avoid conflicts as published in references (h) and (i).

a. Contract instructors will not perform duties until a properly executed contract has been approved and signed by the contractor and a contracting officer. Contracts may be renewed annually for a like term by mutual agreement in writing by both parties above; however, in no event will such renewal exceed a period of 5 years from the date of the original contract.

b. Manager and club employees may perform duties as flight instructors when their position descriptions include such duties and all fees and revenues from such duties are paid to the club with no additional gain to the employees. (Manager's position description must state the minimum number of hours to be worked each pay period while performing managerial duties and hours while performing ground or flight instructor duties. When the manager/employees' position descriptions do not include flight instructor duties, they may be contracted to provide flight or ground instruction for compensation during off-duty hours (e.g., evenings, weekends, and holidays)).

c. Contract instructors are not required to be dues-paying members of the club when retained solely to provide flight instruction services for the club. Contract instructors desiring to use club aircraft for recreational/personal use

(i.e., other than for instructional use) must become club members (if an eligible patron) and adhere to all club membership rules and regulations.

d. No person will instruct without an initial standardization flight check with the chief flight instructor. A designated assistant chief flight instructor may conduct the standardization flight check when the chief flight instructor is not available.

e. Each flight instructor must hold a valid flight instructor certificate.

f. All payments for flight instruction charges will be made to the club. Flight instructors will not be remunerated directly by students.

g. COs may grant a waiver to permit an individual member of a flying club BOD to serve as club mechanic, flight or ground instructor; however, the waiver will prohibit these individuals from making recommendations or voting on recommendations on any matter pertaining to instructor duties or rates of compensation. Waivers allowed for members of the BOD to serve as a mechanic, ground or flight instructor, prohibit them from serving in other positions for compensation.

209. Categories of Membership. Following membership authorizations for participation in NFCs will be followed. COs may issue amplifying instructions for determining membership priority and guidelines for suspending, terminating, or denying eligible participants use of flying club facilities when such action is determined to be in the best interest of Navy, the activity/club. In no instance will participation be authorized for individuals in a priority group without members in all higher priority groups having first been authorized club membership. In those cases where participation privileges are extended to guests, the guests will assume the priority of and be accompanied by their sponsors. CO may prescribe guest privilege limitations.

a. Membership will be on a voluntary basis and subject to club manager approval. Club secretary should have interim membership approval authority in the absence of the manager. All membership approval/disapproval appeals will be submitted to

the BOD for action. If not resolved at the club level, CO or MWR director will make the final approval/disapproval determination.

b. There are two categories of membership: regular and introductory. Introductory membership may be extended to an individual who is eligible for regular membership. Introductory membership will not exceed 60 days and is not renewable within 2 years. Introductory members may receive up to 6 hours of dual instruction at prevailing rates. No other privileges may be given.

c. BOD will define inactive status and may authorize inactive status for club members. Generally, inactive membership may be granted for extended absences (deployments, detachments) or loss of FAA medical certification. If so authorized, and if requested by the member in writing, club manager may approve inactive status during periods of extended absences (Being absent for 2 months up to a limit of 1 year. After 1 year, membership will be terminated.) Members in inactive status may be required to pay a minimum monthly fee to cover administrative costs of maintaining membership.

d. Regular membership may be extended to eligible patron groups on a space-available basis in the following priority:

CATEGORY	AUTHORIZED GROUP
Armed Forces and their families	All Service Members on active duty
	Members of the reserve components (Ready Reserves and National Guard; Reserves in training; Delayed Entry Personnel (DEP))
	Cadets (Midshipmen) of the Service Academies
Other Uniformed Services	Members of the Coast Guard, Commissioned Corps of Public Health Service, and Commissioned Corps of the National Oceanic and Atmospheric Administration on active duty
Armed Forces Retirees and family members	Retired from active duty
	Retired from the reserves with pay, and retired without pay (gray area)
Others separated from the Armed Forces and their family members	Honorably discharged veterans with 100 percent Service-connected disability and involuntary separated service members under the Transition Assistance Management Program (TAMP). Personnel separated under Voluntary Separation Incentive (VSI) and Special Separation Benefit (SSB) Programs for 2 years after separation. Medal of Honor recipients.
Former and/or surviving spouses and their family members	Unremarried surviving spouses of personnel who died while on active duty or while in retired status. Unremarried surviving former spouses who were married to military members for at least 20 years while the military member was on active duty to the Armed Forces
	Orphans of military members, when not adopted by new parents, under 21 years old (or over if they are incapable of supporting themselves, or 23 years old if they are in full-time study)

U.S. DOD civilians and their family members	U.S. Federal employees, both APF and NAF, and retired DOD civilians
	Medical personnel under contract to the military DOD component during periods when they are residing on the installation
U.S. DOD civilians and their family members	Military personnel of foreign nations and their family members when on orders from the U.S. Armed Forces, or in overseas areas when the major command commander grants privileges in the best interest of the U.S. U.S. employees of firms under contract to DOD working on an installation when assigned in areas outside the U.S.
	Others who support the mission of DOD as determined by the CO, such as FAA and Civil Air Patrol personnel
DOD contract personnel and technical representatives	Working full-time on the installation
Others associated with the DOD	Reserve Officer's Training Corps cadets when participating in field training or practice cruises

e. A family member is defined as follows:

(1) A lawful spouse.

(2) Children under 21 years of age and unmarried, including pre-adopted children, adopted children, stepchildren, foster children, and wards who depend upon the sponsor for over half of their support.

(3) Children who are 21 years of age or over, unmarried, incapable of self-support because of a mental or physical disability, and who depend upon the sponsor for over half of their support, including adopted children, stepchildren and wards.

5 Jun 01

(4) Unmarried children, including pre-adopted children, adopted children, stepchildren, foster children, and wards who have not passed their 23rd birthday and are enrolled in a full-time course of study at an institution of higher learning and who depend upon the sponsor for over half of their support.

(5) Parents, including father, mother, father-in-law, mother-in-law, stepparents, and parents by adoption, who depend upon the sponsor for over half of their support.

f. Requests for other authorization or waivers to membership eligibility may be forwarded to NAVPERSCOM (PERS-658F) by the CO via the chain-of-command.

210. Selection of Members. To become a flying club member

a. prospective members must submit an application to NFC and pay monthly dues and initiation fees. Initiation fees may be deferred for introductory members. A letter of good standing from another military flying club may be used instead of initiation fees if the letter is not older than 2 years.

b. the manager will review all applications for compliance with this and other instructions before issuing interim membership privileges.

c. subsidization of membership dues, when such subsidization is not available to the general membership (e.g., to offset minimum monthly flight time expenses) is not authorized.

211. Members' Privileges and Responsibilities. All regular members in good standing are entitled to all privileges and benefits of the club. Each club member will

a. be familiar with and comply with all directives.

b. pay established membership dues. Manager and BOD may recommend lower dues and initiation fees for additional members of a family or as a temporary recruiting initiative with the CO's written approval.

c. assist manager and other club officials in the daily operation of the club.

212. Transfer of Membership. When a club member transfers from one location to another, initiation fees will be waived at the new location if a member presents a letter of good standing from the last U.S. military flying club. Letters of good standing must not be over 2 years old and the transferring member must meet the requirements and categories for membership in this instruction. Flying clubs may issue a letter of good standing if

a. the member has accounted for and returned all club equipment and supplies.

b. the member has settled all outstanding bills.

c. the member was not removed or suspended from the club for just cause.

213. Interclub Flying. A member in good standing in a NFC or another Armed Forces flying club may fly an aircraft belonging to a NFC if such flying does not conflict with the scheduled flying of local club members, does not pose a financial burden to the host club, and if the pilot complies with all club regulations.

a. Visiting member must show appropriate logbook entries and complete local Familiarization (FAM) Flight checkout procedures as determined by the host club operations officer/chief flight instructor. Checkout procedures may be determined by the currency and experience of the visiting member.

b. Visiting members are not charged initiation fees and monthly dues by the host club unless they are in an inactive status and not paying dues at the club where they have membership.

214. Membership and Training Folder. Flying clubs will maintain a membership and training folder for all members. A club member's records remain active so long as the member remains active. Membership and training folders are given to the member on termination or transfer of membership, provided the member's account has been cleared and no investigation is pending related to the member. Folders will contain, at a minimum

- a. membership application,
- b. documentation of membership eligibility,
- c. copy of current medical certificate,
- d. copy of individual pilot certificates,
- e. required aircraft and club exams corrected to 100 percent,
- f. "Covenant Not to Sue, Hold Harmless and Indemnity Agreement" [which is not required from active duty military personnel discussed below in paragraph 216],
- g. check-out records for each type of aircraft,
- h. annual flight review records,
- i. any other information which may be required by the individual club.

215. Pilot Information Card (PIC). Flying club manager shall maintain an up-to-date PIC on each club member. Card will be available at all times in the club operations center and will be used by the flight clearance authority as the basis for determining the pilot's currency and qualification level. If a computer is used to provide pilot information data, the PIC is not required.

216. Covenant Not to Sue, Hold Harmless and Indemnity Agreement

- a. Each flying club member or passenger who is not an active duty member of the Armed Forces of the United States shall not be permitted to operate or ride in a club aircraft until they execute a locally prepared Covenant Not to Sue, Hold Harmless and Indemnity Agreement (appendix D).
- b. A new covenant shall be executed at least once each 12 months.
- c. Emergency recall information of next-of-kin must be documented on the covenant.

d. One member of a family may not execute the document for the entire family.

e. In the case of a minor, a parent or legal guardian will execute the document on behalf of the minor.

217. General Membership Meetings. General membership meetings will be held at least once a year to conduct business and elect BOD members.

218. Aircraft Authorized Utilization. Flying club aircraft are authorized for temporary duty (TDY) travel, when normal government conveyance is not available. Specific guidance for such use may be found in references (j) and (k). If more than one person travels in the TDY aircraft, only the pilot will be reimbursed for TDY travel.

Chapter 3

AIRCRAFT, EQUIPMENT, AND SUPPLIES

301. Acquiring Aircraft. Flying club shall have an aircraft acquisition program, which is approved by the CO. Procurement of civilian aircraft should be accomplished per BUPERSINST 7043.1B. This program must use the club's operational and financial plans and be the basis for purchasing, lease-purchasing, leasing on an exclusive-use basis, or using government loaned aircraft to meet membership needs. All procurement arrangements must result in true operational control of the aircraft by the flying club. All aircraft controlled by a club, regardless of source of procurement, must be available for the equal benefit of all members. Appropriated funds (APF) shall not be used for the purchase of civilian or the use of military aircraft. Normally, civilian aircraft will be procured for club use by direct purchase, lease-purchase, lease, rental, or a combination of these methods. Lease or rental agreements shall provide for exclusive control by the club during the period of the agreement. NAVPERSCOM non-government owned aircraft on loan to a NFC may not be sold without CO approval and written authorization from NAVPERSCOM (PERS-658F). In the event funds are not available from resources of the individual club for the desired method of procurement, the following procedures apply:

a. Loan of funds shall be solicited only in the name of the flying club under the supervision of the CO. Individual members of clubs are prohibited from acting as cosigners for loans to clubs for any reason, including aircraft procurement. Since club aircraft shall be registered in the name of the flying club as government aircraft, a cosigner's rights under the law would be abrogated.

b. Reference (e) requires loan of funds first be solicited from sources within Navy. An example of such a source is another NFC or, if available, from NAF funds held by NAVPERSCOM specifically for that purpose. Requests for such loans from funds administered by NAVPERSCOM will be forwarded to NAVPERSCOM (PERS-658F). Loans from these sources shall include appropriate interest charges and be made on a guaranteed basis. Collateral for all loans will be protected by insurance per chapter 8.

c. When funds cannot be made available from another Navy source, cross-service borrowing is encouraged. Commercial borrowing shall be obtained only as a last resort. Approval for either cross-service or commercial borrowing must be obtained in writing. Such requests should be forwarded to Assistant Secretary of the Navy (Financial Management) via NAVPERSCOM (PERS-65). Collateral for approved cross-service or commercial loans shall be protected by insurance as required in chapter 8.

302. Factors to be Considered in Acquiring Aircraft. At a minimum, the following factors must be considered before acquiring aircraft:

a. Membership Needs. Fleet type and size should be tailored to the membership size and patronage level. A small member-to-aircraft ratio may result in lower aircraft use and increased fixed operating costs (insurance, depreciation, etc.) per flying hour. (Recommended membership-to-aircraft ratio is 20:1).

b. Maintenance Cost Per Flying Hour. Weigh the average cost per flying hour for routine maintenance, inspections, repair, engine overhaul or replacement, and modification against the fees charged per flying hour.

c. Fixed and Variable Cost Obligations. Consider the effect of high depreciation, insurance costs, and lower maintenance costs of a newer aircraft versus lower depreciation, insurance costs, and higher maintenance and upkeep on an older aircraft. Upon evaluation of both options, it may be determined that it is more cost-effective not to keep an older aircraft for a long period of time. (35-40 revenue flight hours per aircraft per month is recommended).

d. Operational Use of the Aircraft. If needed for training, a standardized type of aircraft for students in primary training will increase efficiency of scheduling, supervision, and safety. Complex aircraft (multi-engine, retractable gear, multi-place, etc.) may place an undue hardship on the club members' capability to operate such aircraft safely and economically. All flying club aircraft must have dual flight controls.

e. Financial Obligations. Financial condition of the club must be stable enough to support acquisition of all aircraft and associated equipment. A budgeted projection of income and operating costs, as well as cash flow, is needed to reach a sound financial decision. (Optimal revenue producing flight hours per aircraft per month should be approximately 35-40).

303. Government-Loaned Aircraft. Military aircraft suitable for flying club use that have not been stricken from Navy Active Aircraft Inventory, and are in excess of military requirements, may be made available to flying clubs on a loan basis at no cost, subject to recall. Requests for military aircraft, including aircraft from other military services, will be submitted by the CO to CNO (N88), via the chain-of-command, Commander, Naval Air Systems Command (COMNAVAIRSYSCOM) (Code 5.OD), and NAVPERSCOM (PERS-658F), with a copy to Commander, Naval Inventory Control Point (NAVICP) (Code 03432.06). Flying clubs must obtain specific approval from CNO (N88) for acquisition of any government-owned aircraft.

a. Upon receipt or transfer of a government-owned aircraft (one that has not been stricken from Navy Active Aircraft Inventory), the CO must submit a letter report, BUPERS 1710-23, to NAVICP (Code 03432.06) with copies to NAVPERSCOM (PERS-658F) and CNO (N88). COMNAVAIRSYSCOM (Code 5.OD) will prepare the OPNAV X-ray report. The report will include

- (1) the name of the flying club;
- (2) activity/installation aircraft was received from or transferred to;
- (3) date of transaction;
- (4) aircraft type, model, series and bureau number; and
- (5) statement that "All distinctive insignia has been removed from the aircraft."

b. When excess DOD aircraft are made available for flying club use, they will be assigned in an "as-is where-is" condition. Therefore, the gaining club must make any repairs and move the aircraft to its new location. All clubs will

(1) maintain all loaned aircraft and engines, including spare engines, in complete condition. Cannibalization of loaned aircraft and engines, including spare engines, is prohibited.

(2) on receipt of loaned aircraft, remove distinctive markings from the aircraft. Such markings include any active/reserve squadron logos, "Navy Recruiting," "Federal Emergency Management Agency," etc. Such markings as "Monterey NFC," "Fly Navy," the word "Navy," or in the case of an aircraft on loan from another service, i.e., "Air Force," are acceptable.

(3) register aircraft with the FAA as explained in paragraph 308.

(4) maintain government-loaned aircraft in an airworthy condition per FAA regulations.

c. A message report, BUPERS 1710-20, in the format shown in appendix E, must be submitted by the CO to CNO (N88) with copy to NAVPERSCOM (PERS-658F), COMNAVAIRSYSCOM (5.0D), and NAVICP (03432.06) when

(1) Navy-loaned aircraft is out of service for 90 days.

(2) every 30 days thereafter until the aircraft returns to club service.

d. When a government-loaned aircraft is involved in an accident or incident, follow the reporting requirements in chapter 9.

304. Government-Loaned Aircraft Stricken (Transferred) to the NFC Program. Excess government aircraft that are stricken from Navy Active Aircraft Inventory and transferred to the NFC program will be under the sub-custodial control of NAVPERSCOM (PERS-658F). Official Navy aircraft administrative control remains with NAVICP (03432.06). OPNAV X-ray reporting requirements are not applicable for stricken government aircraft.

a. Upon receipt of a stricken government aircraft, do the following:

(1) Register the aircraft with the FAA per paragraph 308 of this instruction.

(2) Complete civilian aircraft certification process per reference (c) and all applicable publications.

(3) Remove any markings as outlined in paragraph 303b(2).

(4) Contact NAVPERSCOM (PERS-658F) to initiate insurance coverage.

b. If a club no longer desires or cannot support a government-owned aircraft, NAVPERSCOM (PERS-658F) may direct transfer of the government-owned aircraft to another NFC. NAVPERSCOM (PERS-658F) will direct completion of the following:

(1) Transferring club will complete DD 1348-1.

(2) Transferring club will provide all applicable logbooks for transfer with the aircraft.

(3) Unless previously coordinated between transferring and receiving club managers, the aircraft will be transferred in an "as-is where-is" condition.

(4) Receiving club (authorized NFC representative) shall sign DD 1348-1. Original portion will be retained by the receiving club. One copy will be retained by the transferring club and one copy will be forwarded to NAVPERSCOM (PERS-658F) for file.

(5) Receiving club shall contact NAVPERSCOM (PERS-658F) to initiate insurance coverage prior to flight.

305. Aircraft and Engine Replacement Parts. After government-loaned or club-purchased aircraft are acquired, there is a continuing need for replacement parts. The military supply system is a potential source for replacement parts, on a fully reimbursable basis, only if parts are excess to operational requirements.

5 Jun 01

a. Host activity supply officer will acquire, or make available to the club; the supply publications and documents needed to identify the required items.

b. Club must acquire, at its own expense, a copy of the aircraft manufacturer's parts catalog for club-owned aircraft, and pay for publications for government-loaned aircraft, when the publications are not available through the host activity.

c. Host activity will obtain and provide the club with technical maintenance manuals for government-loaned aircraft and equipment if the aircraft remains on Navy Active Inventory List.

306. Supply Support and Accounting Procedures. References (b) and (1) govern supply and accounting procedures for flying clubs. NFCs, as instrumentalities of the Federal Government, can legally purchase, on a fully reimbursable basis, petroleum products and material in support of club-owned aircraft just as they can for government aircraft on loan to the club. Purchases under these provisions will be for the use of the club only, and will not be resold to any individuals including members of the club. Use of government sources of supply for petroleum products, on a reimbursable basis, is authorized for leased aircraft. Use of this source of supply for other material support of leased aircraft is prohibited. Supply activities may provide necessary parts and supplies through other government agencies, on a fully reimbursable basis, for the direct support of government-owned and leased aircraft.

307. Inventories. Flying clubs are authorized to maintain an in-house inventory of aviation-related resale merchandise and aviation petroleum, oil, lubricants, and aircraft spare parts. All clubs will limit merchandise sales to items that directly support club activities.

a. Spare parts inventories consist primarily of items that will prevent long aircraft or equipment downtime. This inventory normally includes items which have a high turnover rate (such as air and oil filter elements), items purchased in bulk for discount purposes (such as spark plugs and tires), and items which are not readily available (such as flight instruments). Inventory levels will be established based on consumption rates and adjusted as necessary for cost-effectiveness. The objective is to establish an inventory

large enough to meet operational needs, yet small enough to control and manage with minimum time, effort, and financial investment. Materials stocked will be inventoried at least every 90 days.

b. In addition to these inventories, a bench stock of low-cost items (such as nuts, bolts, screws, gaskets, tubing, hose, lubricants, etc.) not kept in the spare parts inventory may be maintained. Inventory control procedures do not apply to bench stock. Bench stock can be kept in a semi-secure area separate from the spare parts inventory. Bench stock items will be expensed at the time of receipt.

308. Registering and Obtaining Certification for Aircraft. All aircraft owned or operated by flying clubs must be FAA registered under reference (c), part 47. Registration information is available from the local FAA Flight Standards District Office (FSDO).

a. Register government-loaned aircraft as follows:

(1) Complete FAA AC 8050-1, Certificate of Aircraft Registration, as directed on the form. In the block "Name of Applicant," enter "United States Navy (owner)," and immediately below that the name of the flying club (operator). After "Address," enter the name and address as applicable. The manager will sign the form as "applicant." Type the name, club position, title, name of the club, and the location in the appropriate space on the form. At the bottom of the "applicant" block, type the word "Government."

(2) Complete DD 1348-1. CO (or designated person who is often the club manager) must sign DD 1348-1.

(3) If the civilian serial number of a government-loaned aircraft is not known, contact the manufacturer giving the aircraft model and military serial number, and request the civilian serial number of the aircraft.

(4) Create the initial aircraft and engine logbooks as required by FAA directives after the aircraft is registered and certified airworthy.

5 Jun 01

(5) File and retain all military aircraft logbooks received with the aircraft at the time of transfer to the club.

(6) Establish and maintain all subsequent maintenance histories required by FAA directives.

b. For NAF-purchased aircraft, complete FAA AC 8050-2, using the instructions given with the form. In the block entitled "Purchaser," enter the name and address of the club as "owner and operator." Also, complete FAA AC 8050-1 as explained in subparagraph 308a(1) above; except in the block entitled "Name of Applicant," put the name of the club as owner and operator.

c. To register the aircraft, attach the original FAA AC 8050-2 to FAA AC 8050-1 (original white and one green copy) and send to: FAA Aircraft Registration, P. O. Box 25504, Oklahoma City, OK 73125-0504. (Applications submitted without this documentation will be returned.)

(1) Place pink copy of the FAA AC 8050-1 in the aircraft until the permanent registration is received. When the aircraft registration is received, replace the pink copy with the permanent registration. Pink copy of FAA AC 8050-1 is valid for only 90 days.

(2) To cancel an aircraft registration, complete the reverse side of the Aircraft Registration Form and send to the FAA Aircraft Registry in Oklahoma. If aircraft and form are destroyed, cancel the registration with FAA in writing.

309. Disposition of NAF Purchased Aircraft. Aircraft purchased with NAF funds that are beyond economical repair, and are not desired by any other flying clubs, may be turned into the local Defense Reutilization and Marketing Office (DRMO).

a. If a flying club closes, and the sale of an aircraft is not required to liquidate any outstanding bills, NAVPERSCOM (PERS-658F) (assisted by the flying club manager) will coordinate the transfer of remaining aircraft to other flying clubs within the program.

b. If an aircraft is sold, it is recommended it be sold to other NFCs prior to being sold to a non-Navy individual.

BUPERSINST 1710.22
5 Jun 01

c. Aircraft may be sold to interested individuals through a sealed bid process. Unless otherwise approved by NAVPERSCOM (PERS-658F), the minimum sealed bid offer will be set at no less than 85 percent of the average retail value listed in the current aircraft bluebook. To obtain current price listing, contact NAVPERSCOM (PERS-658F).

310. Disposal of Government-Owned Aircraft. Government-owned aircraft that are damaged or worn beyond economical repair will be disposed of per reference (m), the Defense Reutilization and Marketing Manual. Submit letter of disposal request to NAVPERSCOM (PERS-658F). In turn, NAVPERSCOM (PERS-658F) will request disposition instructions from NAVICP (03432.06). NAVICP (03432.06) will forward disposition instructions to the requesting club with copy to NAVPERSCOM (PERS-658F).

Chapter 4

OPERATIONS, TRAINING, AND STANDARDIZATION

401. Definitions

a. Local Flying Area. The geographical area will be established by the CO, normally not exceeding a 100 nautical mile radius from the flying club location. Local flying area for student pilots will be determined by the BOD. The area will be clearly displayed on a chart in the flying club facility.

b. Pilot Information File (PIF). A document containing items of interest to all pilots.

c. Cross-Country Flight. For the purpose of this instruction, flight which extends beyond the local flying area.

d. Flight Clearance Authority. Must be a private pilot or higher (with a minimum of 200 flight hours) and designated in writing by the CO to clear the flights of others (200 hours may be combination of general aviation pilot time and military pilot time). A private pilot or higher (with a minimum 200 flight hours) may act as a self-clearing authority if so designated in writing by the CO. Club manager (if not a pilot, or has less than 200 flight hours) may be designated by the CO as a flight clearance authority upon completion of appropriate training administered by the chief flight instructor. All Flight Clearance Authorities shall receive instruction in procedures and responsibilities.

e. Make and Model. For the purpose of this instruction, make and model will be defined as manufacturer, model, and series, e.g., Cessna 172M.

f. Currency Requirements. Recent flight experience as defined by reference (c) and this instruction.

402. General Operations and Rules of Flight. Each flying club member must observe all FARs, this instruction, and other Navy directives which apply to flying club operation and club rules. CO shall appoint an operations advisor to the club. Appointee will become thoroughly familiar with this chapter, attend club meetings and participate in all club inspections. Operations

advisor will monitor club operations, training, and standardization and ensure the club

a. abides by Airfield Operations Manual pertinent to club operations.

b. furnishes facility weather and operations offices with copies of current key club personnel to be notified when severe weather threatens security of club aircraft.

c. establishes a heavy weather plan. Plan is designed to ensure that aircraft movement procedures preclude placing personnel at risk. If hangaring and evacuation are impracticable, use airfoil spoilers (or sandbags) in conjunction with proper mooring techniques. As a rule, it is not advisable to fly aircraft away to an alternate location. Such action may place inexperienced pilots at risk.

d. checks manufacturer recommendations for severe weather conditions.

e. obtains all required flight publications.

f. establishes a local flying area and local course rules.

g. obtains or formulates all necessary checklists.

h. properly documents all pilot training and currency.

403. Flight Publications. At a minimum, each flying club must maintain the following:

a. Current club instructions which have all local flight areas' ingress and egress routes and traffic patterns coordinated with airfield operations. A current chart annotated with these items must be displayed in the club where it can be referenced by all pilots.

b. Each club must have a PIF. A complete PIF consists of two volumes. The manager will review both volumes each calendar quarter for currency and remove items that are no longer valid.

(1) Volume I will include at a minimum

- (a) current copy of this instruction with command and base supplements, if applicable.
- (b) current FARs, parts 61 and 91, NTSB part 830.
- (c) current club instructions and local base procedures.
- (d) current Aeronautical Information Manual (AIM).
- (e) current copy of premishap plan.
- (f) current operating handbook or flight manual for each type of aircraft.
- (g) up-to-date listing of personnel to be notified in the case of extraordinary occurrences including, but not limited to, NAVPERSCOM (PERS-658F), insurance company, safety officer, and BOD member.
- (h) any other data of a permanent or semi-permanent nature. Each member will review this volume in total at least semi-annually and annotate accordingly.

(2) Volume II includes pertinent flight safety data and any information all pilots should be aware of before each flight. Managers will number each PIF item sequentially by calendar year (98-1, 98-2, etc.). Items which are considered permanent will be removed from volume II and placed in volume I after 90 days. Each member will signify, by their initial, that they have read and understand the contents of each PIF item. Once all PIF items have been read, up to and including the last PIF number, reading all PIF items again before each flight is not required. If a new item is placed in the PIF, only the new PIF item is required reading before each flight. Volume II includes, at a minimum

- (a) minutes of last club safety meeting.
- (b) NFC Mishap Reports.
- (c) other operational or flight safety items or changes which require pilot notification but are not of a permanent nature.

(d) other important items of local interest including current local course rules.

(3) Flight clearance authorities shall verify PIF volume II signoffs prior to clearing a member for flight.

404. Unauthorized Activities. Any member found to have engaged in acts of negligence or omission, willful misconduct or infractions of this instruction, club rules, or any applicable FAR may have all flying club privileges and membership status suspended temporarily or revoked permanently. Flight instructors are reminded that regardless of membership status within a NFC, they are responsible for complete and adequate instruction. If it is determined that inadequate instruction has occurred, suspension or revocation of club privileges may occur. CO has final authority in the permanent suspension of membership privileges. Following are unauthorized activities:

- a. Careless or reckless operation of any club aircraft.
- b. Formation flying.
- c. Straight-in approaches to landing at airports without an operating control tower (unless in an emergency or an instrument approach is being flown).
- d. Flying below minimum safe altitudes established by reference (c), part 91.119.
- e. Towing gliders or sailplanes.
- f. Parachuting or allowing parachuting (except for an emergency) from a flying club aircraft.
- g. Flying under special visual flight rules (SVFR) without an instrument rating.
- h. Simulated forced landings at night will only be performed at active lighted airports listed in current appropriate flight information publications. Simulated forced landings at night will not be performed off field.
- i. Use of aircraft for hire. (Familiarization flights (for the purpose of promoting club membership to prospective

authorized members) that involve collection of any fee must be approved in advance by NAVPERSCOM (PERS-658F).

j. Participation of aircraft, with or without reimbursement to the club, to support operational or support functions other than authorized flying club program activities, such as: Civil Air Patrol, Coast Guard, or other organizations conducting search and rescue operations; and transportation of personnel or cargo.

k. Unauthorized tampering, adjusting, or changing of meters, logbooks, or other official personnel or flying club records.

l. Aerobatic maneuvers, other than those required by FAA rating/certificate requirements. Such maneuvers must be performed with a club flight instructor.

405. Pilot Restrictions. Following is a list of restrictions that apply to all flying club pilots:

a. The maximum duty day is 12 hours for single pilot or 16 hours with two qualified pilots in a dual-controlled aircraft. Flight duty day begins when the pilot reports for the flight or for first duty of the day, whichever comes first. The minimum crew rest period between duty days is 12 hours.

b. Stalls, steep turns (over 45-degree bank), slow flight, and unusual attitudes shall not be initiated deliberately below 2,500 feet above ground level (AGL) unless done for pilot certification to land.

c. A club member shall not pilot a club aircraft on a night flight outside the designated local flying area unless they have an instrument rating. Members must maintain night currency per reference (c), part 61 and this instruction.

(1) A club pilot without an instrument rating, but with at least 100 logged pilot hours may fly local Visual Flight Rules (VFR) night flights to designated airfields that are authorized for night use.

(2) Night instrument practice is authorized, but must be per reference (c), FAR part 61.

d. Touch-and-go landings may be permitted for solo students on local hard-surfaced runways 3,000 feet or greater, following evaluation of individual student abilities and authorization by the flight instructor.

e. Except in an emergency, flying club pilots will only land at active airports listed in current appropriate flight information publications. Other airfields may be used if requested by the CO and approved by NAVPERSCOM (PERS-658F).

(1) Minimum runway length must be 2,000 feet, or equal to the sum of the aircraft takeoff and landing rolls, whichever is greater. Minimum actual runway width must be 45 feet.

(2) If an emergency or precautionary landing is made at an unauthorized location, the aircraft will not takeoff without the approval of the club manager, operations officer, safety officer, or the chief flight instructor. If the forced landing was mechanical in nature, the maintenance officer will assist in the approval process as well.

f. Pilots will do a fly-over maneuver before landing at unfamiliar, non-towered airports or at airfields with unknown runway surfaces or approach obstructions.

g. A pilot shall not depart on a cross-country flight unless formally requested by the pilot in command on a form prescribed by the manager and approved by a flight clearance authority.

406. Aircraft Restrictions. A club aircraft shall not be

a. flown on a night cross-country flight unless it is equipped for instrument flight as required by reference (c), FAR part 91, and has very high frequency (VHF) omnidirectional range (VOR) or automatic direction finding (ADF) equipment in operating condition.

b. flown at night if its flight instruments are powered only by a venturi suction horn.

c. used for commercial purposes; however, equal cost sharing between pilot and passengers is authorized. Pilot in command must comply with regulations outlined in reference (c).

d. used to simulate engine failure during takeoff in a twin-engine aircraft by retarding a throttle below 300 feet AGL or below recommended intentional single engine speed (VSSE), unless the aircraft is still on the runway with sufficient runway remaining for a normal stop. Simulated engine failure (with actual shutdown on takeoff) shall not be accomplished at night or during IFR conditions. No simulated emergency training shall be accomplished unless a club multi-engine instructor (MEI) occupies one of the pilot seats.

407. VFR Weather Minimums. Flights shall not be cleared by flight clearance authorities unless the current and forecast weather minimums are to remain so for the entire length of flight. Day and night IFR Weather minimums are in reference (c) part 91. VFR weather minimums are

a. day VFR minimums are 1,500 feet ceiling and 3 miles visibility.

b. night VFR minimums are 2,500 feet ceiling and 5 miles visibility.

c. if higher VFR minimums are published for the airfield in use, they will be used.

408. Authorized Pilots and Passengers for Flying Club Aircraft

a. Only a regular member, introductory member receiving instruction from a club flight instructor, personnel listed in paragraph 408c(3) and 408c(5), or a qualified club employee is authorized to pilot club aircraft. CO may authorize a special one-time local flight with a club member for a prospective buyer of a club aircraft. NAVPERSCOM (PERS-658F) is authorized to fly any club aircraft in which currency is maintained.

b. Members possessing only a valid recreational pilot certificate shall not act as pilot in command of club aircraft, except when enrolled in a course of training for a private rating or higher. In this instance, a member holding a recreational pilot certificate shall comply with all restrictions in reference (c), club regulations, and this instruction.

c. Passengers may be carried in club aircraft only in the following circumstances:

(1) An FAA flight inspector, examiner, or designated examiner who is checking aircraft airworthiness or is officially examining a club member.

(2) An A&P mechanic whose presence in the aircraft is necessary to certify or complete maintenance requirements.

(3) Individuals designated by the CO to evaluate club pilot standardization. Someone who reviews a student pilot's aeronautical skills must be a certified flight instructor.

(4) A club member/employee on a flight directed by the club manager or BOD. (This does not apply to a contractor).

(5) Other DOD personnel observing club pilot standardization.

(6) Guests of regular members. (Guests are individuals who have been personally and specifically invited to accompany an authorized flying club user for a specific flight. Guests must execute a "Covenant Not to Sue, Hold Harmless and Indemnity Agreement" prior to participation in the flight).

d. Passengers are not carried in club aircraft during maintenance check flights.

409. Preflight Checks. Each club pilot must preflight the aircraft before each flight per applicable FARs to ensure that the aircraft is airworthy and that all necessary accessories are in proper working condition. Record inspection defects found in aircraft structure or accessories on a locally approved maintenance aircraft discrepancy form. If a defect is found that could interfere with the aircraft's safe operation, the flight will be canceled or postponed until the defect is corrected.

410. Required Equipment. It is the pilot's responsibility to have the proper charts, equipment, and information needed for the flight. Aircraft shall have appropriate survival equipment for the area of intended operation, including life preservers for over-water flights beyond power-off gliding distance from

shore. COs may loan survival equipment to clubs on an as-needed basis if there is no immediate need for military use. A current copy of FAA-approved flight or operation manual must always be in the aircraft during flight. In addition to equipment required by FAA regulations, the following items must be in the aircraft at all times:

a. Checklists that include preflight, before start, before takeoff, cruise flight, before landing, after landing, secure, post-flight, normal procedures, emergency procedures, and lost communication procedures. If not adequately covered in the owner's and operator's handbook, type these procedures on cards, seal in plastic, and keep within easy access of the pilot.

b. Detailed club instructions for remaining overnight (RON) and severe weather.

c. A crosswind component chart applicable to that aircraft.

d. List of procedures/personnel to be contacted in case of mishap/incident.

411. Depending on the type of flight, the following equipment shall be on the aircraft:

a. For VFR flights, charts showing the topographic features and navigational aids within the area of flight.

b. For IFR flights, charts and flight information publications necessary for instrument departures, enroute navigation, and instrument approaches.

c. For all night flights, a flashlight that operates independent of the aircraft battery.

412. Scheduling of Aircraft. Following procedures shall be adhered to:

a. Place the pilot's name on the scheduling log before takeoff. Scheduling is on a first-come, first-serve basis.

b. Put detailed scheduling procedures in the club instructions. Include flight cancellation, failure-to-show, and rescheduling procedures.

413. Notification of Failure to Return on Schedule. The pilot shall notify the club as soon as it is known that the aircraft cannot be returned on schedule.

414. Standardization Board. Safe operation of club aircraft depends on pilot standardization procedures, training, and check methods.

a. Club operations officer shall chair the standardization board. Chief flight instructor, all flight instructors, flight clearance authorities (other than self-clearing authorities permitted under paragraph 401.d), club safety officer, and manager shall be members.

b. Clubs shall conduct standardization meetings at least quarterly to standardize and improve all of the club's flight procedures and techniques.

c. Minutes shall be kept and sent to the CO for approval. Copy of the minutes will be kept in PIF volume II for all members to read.

(1) A standardization board member who misses a meeting shall review and initial the minutes before performing club duties.

(2) A standardization board member who misses two consecutive meetings without a valid reason shall be relieved of duty.

d. Following areas require standardization board's constant attention:

(1) Check-out procedures and performance requirements.

(2) Annual standardization check rides.

(3) Training program.

(4) Flight plan review and clearance procedures.

(5) Flight records.

(6) Identification of pilot weaknesses and recording of dangerous trends and tendencies.

(7) Cross-country training, flying, and checklist procedures.

(8) Maximum headwind and crosswind components shall be developed by the club standardization board for each level of pilot certification and aircraft type.

(9) Mountain flying.

(10) Instrument flight procedures.

415. Required Flight Checks. Flight checks shall cover items on the "FAA Practical Test Standards" for the license or certificate that the member intends to use at the club. Checklist used will be included in the member's training folder with each item annotated and initialed by the instructor. Following flight checks are required initially or annually as indicated and shall be given by a club flight instructor:

a. Initial checkout in each specific make and model aircraft before acting as pilot in command of that make and model.

b. Initial night check-out for those intending to night fly.

c. Initial and annual instrument flight checks for members maintaining IFR currency.

d. Annual flight standardization check in the most complex aircraft in which currency is maintained.

e. Initial and annual instructor flight check given by the chief/assistant chief flight instructor shall be given. These flight checks may be given in any aircraft determined appropriate by the chief flight instructor and may satisfy the annual standardization check at the discretion of the chief flight instructor.

416. Written Tests. Written tests shall be taken prior to each initial and annual standardization flight check. Record each

test and retain it in the member's training folder for a minimum of 3 years. The minimum passing score for each test is 70 percent. Tests will be graded by a club instructor, corrected to 100 percent, and all deficient areas reviewed prior to flight. Retakes shall not be given until sufficient ground instruction has fully prepared the examinee for another try. Review all tests annually and revise every 2 years. Following tests are required, as applicable, before initial and annual flight checks:

a. A 25-question aircraft normal and emergency procedure examination for each make and model aircraft. Five questions shall be closed-book emergency procedures. At least one question shall require a complete weight and balance computation (required prior to the initial checkout in each make and model aircraft and annually thereafter).

b. A 25-question aeronautics examination covering local procedures and pilot operating instructions, reference (c), parts 61 and 91, and the AIM (required prior to the annual standardization check).

c. A 25-question IFR examination covering departure, enroute, and approach procedures, reference (c), parts 61 and 91, the AIM, and applicable local procedures (required prior to the annual instrument check).

d. A 25-question examination covering flight instructor procedures and techniques (required prior to the annual instructor check).

e. All examinations are valid until the end of the 12th month following the month in which the examination was taken.

417. Qualification and Currency. To fly a club aircraft as pilot in command, a member shall satisfy FAA requirements and this regulation. All currency requirements shall be completed and properly documented on the PIC prior to flight in a flying club aircraft.

a. The following day requirements will be adhered to:

(1) Student pilots shall not fly more than 10 hours solo or exceed 30 days without a dual proficiency flight. Student pilot stage checks must be accomplished.

(2) All others shall perform three take-offs and landings every 90 days in each category and class. Additionally, pilots shall accomplish three take-offs and landings within 180 days in each make and model they wish to maintain currency. Pilots noncurrent must accomplish a dual recurrency training flight before flying as pilot in command.

(3) Club instructors current in one make and model aircraft but who have instructed in another club aircraft, may not need to perform the 180-day currency items at the discretion of the chief flight instructor.

b. Instrument Currency

(1) Maintain currency according to reference (c), part 61.

(2) Active duty military pilot instrument currency may be substituted with the chief flight instructor's approval. Initial instrument flight check must be accomplished in a flying club aircraft.

c. Night Currency

(1) Pilots shall accomplish three take-offs and landings, to a full stop, every 90 days in each category and class of aircraft they are qualified to pilot.

(2) Night landings count for day currency requirements. Pilots noncurrent for night landings must fly a night dual training flight to regain currency.

d. Pilots noncurrent in any club aircraft for more than 180 days must accomplish a requalification check flight that meets the initial aircraft checkout requirements.

418. Flight Planning Review and Clearance for Flying Club Pilots

a. The pilot shall complete all items on a locally generated checklist and sign the form. The flight clearance authority (FCA) must review the checklist for completeness and sign the form. Every pilot departing from their home field must be cleared by a FCA (self-clearance authorities may clear themselves). Student pilot solo flights shall be cleared by a flight instructor as outlined in reference (c), part 6l.

b. FCAs must be instrument rated to release other club pilots for IFR flights.

c. Pilots shall file a flight plan (military or civilian) for all flights outside the local flying area; however, at most military bases it is required to file a flight plan prior to any flight. Flying club members shall comply with local base regulations.

d. Each pilot's currency shall be validated before any flight by a FCA. (Refer to paragraph 401(d) for self-clearance authority requirements.) The manager shall provide a checklist that FCAs will use in verifying currency. FCAs shall clear all flights (including local flights) by signing the locally prepared clearance form. This approval certifies that the pilot and aircraft meet all the flight requirements. All student pilot solo flights are cleared by an instructor pilot as outlined in reference (c), part 6l.

e. FCAs shall review all cross-country flight plans. The manager will develop a checklist, which includes the following as a minimum:

(1) Pilot is qualified, current, and prepared for the trip.

(2) Airports of destination and alternates are adequate and minimum fuel requirements meet applicable FARs.

(3) Pilot has not overloaded the aircraft and understands the weight and balance computations and limitations.

(4) Navigation, communication, and en route flight service station (FSS) facilities are available.

(5) Navigation/fuel logs completed for the entire trip and all necessary charts, publications, and personal equipment are in the pilot's possession.

(6) PIF has been reviewed and signed.

(7) Proper survival equipment for the type flight being flown is onboard.

f. Club flights leaving the continental limits of the United States will be carefully planned, cleared, and conducted per FAA and International Civil Aviation Organization (ICAO) Manual and club instructions. NAVPERSCOM (PERS-658F) must be notified prior to any flights to Mexico. Additional insurance coverage must be obtained prior to date of flight.

g. Before clearing any flight, the FCA shall, after validating pilot currency, determine existing and forecast weather conditions.

h. Before clearing any IFR flight, the FCA shall determine that

(1) pilot possesses an instrument rating and is instrument-current in the category aircraft being flown.

(2) aircraft is equipped with required instruments, the navigation equipment has been checked according to FAA regulations, and appropriate entries have been made in the aircraft logs.

(3) pilot has up-to-date departure, terminal, and en route flight information publications in their possession.

i. Approved FCA checklists shall be retained on file for review by various club inspectors.

419. Landing and Departing Military Bases. Club members may land at military bases when traveling in club aircraft. The pilot will ascertain the flight plan and landing/departing requirements at the destination military facility.

a. Pilot making radio contact with a military control tower shall precede the aircraft's tail number by the words "NFC."

(e.g., "NFC Cessna 12345, 10 miles NW, 2000 feet, inbound for landing.") When in radio contact with other than military towers, use the regular aircraft call sign.

b. A student pilot on a solo flight making the initial call to an FAA facility or military control tower shall include identification as a student pilot. (e.g., "NFC Cessna 12345, student pilot, 10 miles NW, 2000 feet, inbound for landing.")

c. When landing at military bases, after checking gear down, pilots shall report "gear down" to the tower or appropriate air traffic control agency before crossing the runway threshold. Pilots flying aircraft with fixed landing gear are also required to make this report.

d. When departing military bases, file a flight plan with base operations.

420. Landing Permits. Reference (n) permits members of the U.S. Navy/Marine Corps Flying Clubs, U.S. Air Force Aero Clubs, and U.S. Army Flying Activities, to operate their privately owned aircraft into and out of the U.S. Navy airfield where they hold aero/flying club membership. Written endorsement on DD 2401, Civil Aircraft Landing Permit by the aero/flying club manager (validating the individual's membership in that aero/flying club) is required prior to DD 2401 being signed by the installation CO. Club members using U.S. Navy flying club facilities located on a civilian airfield must provide the endorsement, a completed DD 2400, Civil Aircraft Certificate of Insurance, and a completed DD 2402, Civil Aircraft Hold Harmless Agreement to the local CO for approval. Submission of DD 2401 is not required for off base operations

421. Training Program. Management of the training program is the responsibility of the chief flight instructor. A standard course of instruction is essential to prepare each pilot for the appropriate level of rating/certification sought. All training programs (whether commercially purchased or developed by the standardization board) will prepare the pilot to meet the performance standards of the appropriate FAA Practical Test Standards. Club programs that are FAR part 141 approved meet all standards of this instruction. Training programs shall include the following:

a. Standard dual and solo cross-country routes for private, commercial, and instrument training, shall be established by the club standardization board. In all cases, the following shall be met:

(1) There shall be graduated degrees of navigation difficulty.

(2) Both controlled and uncontrolled fields shall be used (if available).

(3) Emphasize training in FAA weather briefings, flight plan filing and closing, and en route FSS services.

(4) Emphasize deteriorating weather procedures, airport diversions, and lost procedures.

(5) Use aircraft flight manual performance data in computing take-off/landing distances, density altitude, fuel/range computations, and en route emergencies.

b. All training shall be completed per an approved flight training syllabus, consistent with requirements established by reference (c), part 61, or part 141 as appropriate. The following applies to student pilot training:

(1) RONs are not permitted, unless required because of weather or mechanical failure.

(2) All student solo flights shall be conducted during daylight hours and will terminate no later than official sunset.

(3) Student pilot stage checks shall be conducted by the chief flight instructor (or their designated flight instructor), prior to the first solo cross-country and before recommendation for the private check ride.

(4) Prior to endorsement for solo cross-country flights, student pilots must satisfactorily complete the applicable aircraft normal, emergency, and aeronautical examinations referred to in paragraph 416.

(5) Each student, before initial solo, shall get a demonstration of practice go-arounds during progressive segments

of the final approach and landing phase. Emphasize go-arounds immediately after touchdown, simulating recovery from bounced or ballooned landings. This training shall include go-arounds initiated from full-flap configurations as outlined in the aircraft's operating manual.

c. No simulated forced landing training shall be accomplished unless a club flight instructor occupies one of the aircraft's pilot seats. Use of carburetor heat and engine clearing procedures will be stressed.

422. Check-out Performance Standards. All pilots checking out in club aircraft must demonstrate an acceptable level of proficiency based on the most current "FAA Practical Test Standards" for the certificate the pilot holds or is desiring to obtain.

423. Check-out in Single-Engine Fixed Gear Aircraft

a. 200 horsepower (H/P) or less

(1) Completion of satisfactory check-out with club instructor; and

(2) 3 logged pilot hours in make and model to carry passengers or to leave the local operating area.

(3) T-41C aircraft are considered in the 200 horsepower or less category.

b. 201 to 236 H/P

(1) Completion of satisfactory check-out with club instructor;

(2) 100 logged pilot hours;

(3) 3 logged pilot hours in make and model; and

(4) 5 logged pilot hours in make and model to leave the local area or to carry passengers.

c. 237 H/P or more

(1) Completion of satisfactory check-out with club instructor;

(2) 160 logged pilot hours;

(3) 5 logged pilot hours in make and model; and

(4) 10 logged pilot hours in make and model to leave the local area or to carry passengers.

424. Check-out in Single-Engine Retractable Gear Aircraft

a. 200 H/P or less

(1) Completion of satisfactory check-out with club instructor;

(2) 100 logged pilot hours;

(3) 25 logged pilot hours in retractable gear aircraft (10 hours in make and model may be substituted for 25 hours retractable time); and

(4) 5 logged pilot hours in make and model.

b. 201 to 236 H/P

(1) Completion of satisfactory check-out with club instructor;

(2) 150 logged pilot hours;

(3) 25 logged pilot hours in retractable gear aircraft (10 hours make and model may be substituted for 25 hours retractable time) and;

(4) 5 hours make and model.

c. 237 to 310 H/P

(1) Completion of satisfactory check-out with club instructor;

(2) 200 logged pilot hours;

(3) 40 logged pilot hours in retractable gear aircraft (10 hours make and model may be substituted for 40 hours retractable time) and;

(4) 10 logged pilot hours in make and model (5 hours dual and 5 hours solo in the local flying area before carrying passengers).

425. Check-out in Multi-Engine Aircraft

a. 500 total H/P or less

(1) Multi-engine rating or club MEI solo endorsement for a one-time flight only for rating rides requirements;

(2) Completion of satisfactory check-out with club instructor;

(3) 400 logged pilot hours (250 logged hours with 25 hours retractable may be substituted for 400 logged hours);

(4) 20 logged pilot hours in multi-engine aircraft (10 hours make and model with club MEI may be substituted for 20 hours multi-engine aircraft time); and

(5) 10 logged pilot hours in make and model.

b. 501 total H/P and over

(1) Multi-engine rating or club MEI solo endorsement, for a one-time flight only, for rating ride requirements;

(2) Satisfactory check-out with club instructor;

(3) 500 logged pilot hours (350 logged pilot hours with 25 hours retract may be substituted for 500 logged pilot hours);

(4) 50 pilot hours logged in multi-engine aircraft (15 hours in make and model with club MEI may be substituted for 50 hours multi-engine aircraft time); and

(5) 10 logged pilot hours in make and model.

Chapter 5

SAFETY

501. General Flying Club Safety Policy. Flight safety is every flying club member's responsibility. To assist each member, the club shall have a mishap prevention program. Successful programs must have active support of members, employees, manager, BOD, base safety officer, and commanding officer. NAVPERSCOM (PERS-658F) has primary responsibility for all flying club safety matters.

502. Duties and Qualifications of Flying Club Safety Officers. Club safety officer must be a club member who is a certified private pilot or higher with 200 or more flying hours. Club safety officer's main duty is to conduct an aggressive mishap prevention program. Safety officer is a voting member of the BOD and shall

a. obtain guidance from the administering activity safety officer and nearest FAA Flight Standards District Office (FSDO). Assist the administering activity safety officer in club inspections.

b. conduct safety meetings at least every 2 months and prepare minutes for members to review. Minutes shall be made available in PIF volume II within 5 workdays of the meeting. Use of guest speakers such as activity safety officer, a control tower operator, flight surgeon, engine specialist, meteorologist, FAA representative, or other persons with valuable flight safety information is recommended. At a minimum, the following subjects shall be discussed:

(1) Navy policies and directives relating to flying club operations.

(2) FAA regulations.

(3) Local flying area problems, including briefings by safety specialists/representatives from the local FAA FSDO, or local air traffic control (ATC) specialists.

(4) Mid-air collision prevention.

- (5) Seasonal flying hazards, including weather and bird migration.
- (6) Light aircraft maintenance and potential problem areas.
- (7) Review aircraft mishap reports.
- (8) Wake turbulence, thunderstorms, microbursts, crosswinds, flight planning, and fuel management.
- (9) Lost pilot and other emergency procedures.
- (10) Spatial disorientation, survival, and hypoxia.
- (11) Medication and self-medication hazards.
- (12) Mountain flying.
- (13) Mishap reporting procedures.
- (14) Cross-country flying.
- (15) Applicable hazard reports.

c. Club safety officer shall schedule pertinent subjects for each meeting so that recurring items of interest (seasonal weather, crosswind operation, wake turbulence, etc.) are covered and periodically repeated. Flying Club Mishap Reports received since the last safety meeting shall be debriefed to the club membership at the next safety meeting.

d. Be alert to identify potential hazards and recommend changes in operations, procedures, methods of instruction or supervision, life support systems, and airfield facilities to preclude potential mishaps. If an identified hazard can be expected to have an effect outside the local organization, it should be documented using the "Unusual Occurrence Report" (format discussed in chapter 9) and forwarded to the command safety advisor for release through the "All NFC Activities Collective Address Designator (CAD)."

e. Maintain a safety bulletin board/Pilots All-Read Board.

f. Coordinate with other club officials to correct safety deficiencies discovered on inspections.

g. Ensure safety meeting minutes, mishap reviews, and mishap reports (submitted per chapter 9) are promptly posted to the PIF. Such reports shall be edited so that personal information, such as name and social security number of any individual, is not disclosed. The posting of such information will be for mishap prevention purposes only.

h. Maintain a premishap plan. Upon CO approval, the club premishap plan may be included in the base premishap plan instruction.

503. Semi-Annual Safety Awareness Day. Using the criteria outlined in paragraph 502, all flying clubs shall conduct a semi-annual safety awareness day. Briefings and review of records should be more in-depth than regular safety meetings. Additional activities may be scheduled during the day to enhance club membership participation, such as cookouts, aircraft spot-landing contests, or use of time to get members current. All members are required to attend the briefing portion of the safety awareness day, and those who are not in attendance are grounded until a make-up training session is conducted and completed. All pilot records are to be screened by the manager and BOD for accuracy and completeness. This is a time to re-focus on environmental changes that impact flying in a specific geographical location.

The following applies:

a. Safety Awareness Day may be held on the date of a regular club safety meeting (as applicable for each club) during the following months:

(1) Spring Safety Awareness Day, March - May time frame.

(2) Fall Safety Awareness Day, September - November time frame.

b. Flying club safety officer shall forward a memorandum or message to NAVPERSCOM (PERS-658F) no later than 15 days after completion of the Safety Awareness Day.

504. Administering Activity Safety Advisor. The CO shall appoint a safety advisor from the command to act as an advisor to club personnel. If an aviation safety officer is not designated, a representative from ground safety or the operations office should be given these responsibilities. The appointee shall monitor the safety program of the club and additionally

a. ensure the club safety officer conducts a mishap prevention program.

b. take part in club inspection following the provisions in chapter 2.

c. have a follow-up system to ensure that corrective actions are taken for all safety discrepancies found during inspections.

d. provide mishap prevention information to the flying club. This information must include

(1) copies of flying club program aircraft mishap reports,

(2) safety inspection reports,

(3) safety posters,

(4) safety magazines,

(5) information on DOD and FAA films appropriate to club operations,

(6) aircraft mishap reports, and

(7) other needed safety data and information.

e. Evaluate and endorse/not endorse submitted flying club messages for release into the "All NFC Activities" CAD.

Responsibilities in the CAD program are discussed in reference (o). Refer to chapter 9 for guidelines and format.

f. Report flying club aircraft mishaps as directed by this regulation and reference (d), part 830.

505. Safety Meetings. Safety meetings for all club members must be held at least every 2 months. Attendance is mandatory.

a. Meetings should be held when most members can attend or repeated often enough to have maximum attendance.

b. Club safety officer shall chair the meeting.

c. Members who fail to attend a safety meeting shall be grounded until they review the minutes of the previous meeting, review a videotape of the last meeting, or receive a briefing from the club safety officer. The meeting or make-up briefing shall be documented in the member's training file. Documentation will annotate whether the member attended the regular meeting or make-up briefing. Viewing a video tape of the safety meeting may count as regular safety meeting attendance.

506. Mishap Investigation. An aircraft mishap investigation shall be conducted for each flying club mishap (as defined by reference (d), part 830) or whenever willful mismanagement or negligence, incident to flight, is suspected. The CO shall appoint a qualified individual (normally the club safety officer or command safety advisor) to lead the investigation and assist, as required, in preparation of the aircraft mishap report. Depending on the severity of the mishap, the lead investigator will chair an aircraft mishap board (consisting of at least two to three senior appropriately rated pilots) convened to conduct the investigation. Mishap board shall work closely with the NTSB/FAA or ICAO (foreign or domestic) investigators. Generally, the CO will direct that a Judge Advocate General (JAG) investigation be conducted. Purpose of the investigation and report is to determine cause of the accident and to identify steps to prevent recurrence. All mishap reports sent to Naval Safety Center shall be sent to each NFC as well. Requests for copies of all flying club mishap reports may be obtained from

- a. Navy Personnel Command (PERS-658F)
5720 Integrity Drive
Millington, TN 38055-6580; or

- b. Commander, Naval Safety Center
Attn: Code 112C
NAS Norfolk
Norfolk, VA 23511

507. Ground Safety. Flying clubs using Navy facilities shall comply with applicable portions of Navy Occupational Safety and Health (NAVOSH) standards found in reference (p). These directives also provide guidance for clubs not occupying Navy facilities.

- a. A club NAVOSH officer shall be designated to ensure compliance with applicable Navy and host HAZMAT instructions.

- b. Strict attention shall be paid to storage of flammable materials, fuel facility static grounding, workshop safety, and ground activities in the vicinity of aircraft.

- c. Club facilities shall be a part of the CO's ground safety, fire prevention, and HAZMAT inspections.

Chapter 6

AIRCRAFT MAINTENANCE

601. General Maintenance Policy. Each flying club shall maintain a sound aircraft maintenance program. This program shall provide for scheduled inspections, routine maintenance, corrosion control, and overhaul of the airframe, engines, propeller and other components as required by FAA. Overhaul of aircraft components will be at manufacturers recommended Time Between Overhaul (TBO). If aircraft engines meet airworthiness standards at TBO, managers and maintenance officers may delay overhaul until TBO plus 20 percent (provided a compression check of all cylinders is completed and an engine oil analysis is accomplished every 50 hours). All aircraft shall be maintained as required in the manufacturer's maintenance manuals and FAA directives for that make and model of aircraft.

602. Maintenance Program. A maintenance program is based on aircraft and engine inspections conducted at specific intervals, with expeditious corrective action of any discrepancies found during these inspections. Maintenance program must also provide for expeditious correction of discrepancies noted between these inspection intervals and

a. comply with FAA inspection periods to include the following minimum inspection requirements:

- (1) Pilot's pre-flight and post-flight.
- (2) Oil change and inspections as recommended by the aircraft and engine manufacturer.
- (3) Inspections at 100 hour intervals.
- (4) Annual airworthiness certification inspection.

b. All flying club aircraft maintenance shall be performed by, or be under the supervision of, a certified A&P Mechanic. Use of the inspection checklist provided in the manufacturer's maintenance manual for make and model aircraft being inspected is recommended. A locally developed inspection checklist may be used, provided it meets minimum manufacturer's requirements and

reference (c), part 43. All completed maintenance checklists shall be filed as required by reference (c), part 91.

c. Comply with FAA ADs.

d. Maintenance records for all club aircraft shall be maintained per reference (c) as outlined by FAA Advisory Circular (AC) 43-9B.

e. An Aircraft Discrepancy Book (ADB) shall be established for each aircraft to record maintenance discrepancies and corrective actions. Document discrepancies on a locally prepared form. Form should allow the following to be recorded easily:

(1) Describe what is wrong, e.g., low oil pressure, left strut is low, etc.

(2) Date of discrepancy.

(3) Who wrote the discrepancy.

(4) Corrective action by mechanic.

(5) Mechanic's signature and A&P number.

(6) Mechanic signs "All Tools Accounted For" (ATAF) indicating that a tool inventory has been completed.

f. Records are required for the last 200 hours of operation on each aircraft. When these records exceed the 200 hour retention requirement, they may be disposed of in 100 hour increments.

g. Undue stresses (such as hard landings, severe turbulence, etc.) shall be recorded in the airframe logbook and the aircraft will be properly inspected and declared airworthy before being released for further flight.

603. Maintenance Officer. The club maintenance officer

a. shall be a member of the BOD and will exercise general supervision over the club's aircraft maintenance program to ensure that all aircraft are in an airworthy condition.

b. should have a background in aircraft maintenance gained from military or civil aviation experience. Although not mandatory, an A&P Mechanic's certificate is desirable.

c. is responsible for overall management of the maintenance program and is the authority for all club maintenance policy. This authority includes grounding of club aircraft, which are deemed not airworthy, including transient NFC aircraft. The maintenance officer shall comply with all FAA directives, including ADs that apply to the type and model of aircraft possessed. The maintenance officer shall also

(1) coordinate club maintenance requirements with the host activity. Such support includes facilities, supplies, equipment, and joint use of maintenance spaces.

(2) develop a maintenance program to quickly correct discrepancies.

(3) establish a written positive tool control program which shall include, but is not limited to

(a) an inventory of all club tools and equipment.

(b) procedures for inspecting and returning an aircraft to flight status if a missing tool cannot be located.

(4) frequently inspect club maintenance facilities. Control and maintenance of aircraft spare parts inventory and tool control are special notice items.

(5) assume responsibility for security of aircraft while undergoing maintenance, provide a standard procedure for securing unattended aircraft, and establish a standard procedure to prevent aircraft from being flown with uncorrected safety-of-flight discrepancies.

(6) ensure all maintenance requiring certification is completed in aircraft and engine logbooks.

(7) coordinate all maintenance matters with the club manager.

(8) establish a written fuel quality assurance program. Fuel supplied to clubs by commercial vendors must meet the standards established by American National Standards Institute. Fuel storage facilities must meet standards prescribed by National Fire Protection Association. Fuel quality assurance program must include, at a minimum, procedures for

(a) periodic checking of fuel storage tanks and pumping equipment sumps for water or other contaminants.

(b) checking, cleaning, and replacing filters in pumping equipment at proper and specific intervals.

(9) formulate a set of corrosion control maintenance requirement cards for each type aircraft in the club inventory to use as a tool to satisfy FAA AC 43-4B.

(10) ensure club has or has access to a technical library with all up-to-date required maintenance publications and directives. Technical library shall include, at a minimum, the following publications:

(a) Aircraft, engine, and propeller service manuals, catalogs, service letters, and bulletins.

(b) FAR, part 39, ADs and volume 1, Summary of ADs for Small Aircraft.

(c) FAR, part 43, Maintenance, Preventive Maintenance, Rebuilding, and Alternation.

(d) FAR, part 45, Identification and Registration Markings.

(e) FAR, part 47, Aircraft Registration.

(f) FAR, part 91, General Operating and Flight Rules.

(g) FAA AC 43-16, General Aviation Airworthiness Alerts.

(h) FAA AC 43-13B, Positive Tool Control.

(i) FAA AC 43-13.1B, Acceptable Methods, Techniques, and Practices Aircraft Inspection and Repair.

(j) FAA AC 43-13.2A, Acceptable Methods, Techniques, and Practices Aircraft Alterations.

(k) FAA AC 43-4B, Corrosion Control for Aircraft.

(l) FAA AC 43-9B, Maintenance Records, General Aviation Aircraft.

(11) ensure an up-to-date aircraft equipment list and weight and balance data are carried aboard aircraft at all times.

(12) ensure that maintenance planning and scheduling are adequate to provide maximum number of aircraft possible during periods of peak flying activities such as weekends and holidays.

(13) develop and keep current an aircraft status board, which indicates at a minimum:

(a) time until 100 hour inspections.

(b) dates of annual inspection, transponder/encoder, static/altimeter and Emergency Locator Transmitter (ELT) battery checks due.

(c) time until major overhaul (if applicable).

(d) hours until ADs are due (including recurring).

(e) current aircraft status (flyable or grounded).

(14) designate and maintain a list of three or more persons authorized to certify aircraft as ready-for-flight.

(15) ensure a weekly Foreign Object Damage (FOD) walkdown is conducted of all flying club hangar spaces and aircraft ramp areas.

604. Administering Activity Maintenance Advisor. Administering activity maintenance advisor shall attend quarterly club BOD meetings and assist club maintenance officer as necessary to

ensure compliance with applicable rules and regulations. Administering activity maintenance advisor shall also participate in an annual inspection of the club, using checklist in appendix B.

a. Inspection shall include, but is not be limited to

- (1) material condition of aircraft and associated equipment,
- (2) currency of maintenance manuals and associated publications,
- (3) adequacy and condition of facilities,
- (4) general safety practices,
- (5) tool control program,
- (6) security of aircraft while undergoing maintenance,
- (7) maintenance documentation, and
- (8) management of aircraft spare parts inventories.

b. Administering activity maintenance advisor who does not hold an A&P Mechanic's license must not perform duties of an FAA Inspector.

605. Maintenance Check Flights. Safety of flight repairs involving removal/replacement of flight control surfaces, major mechanical repairs, such as carburetor, magneto, or engine replacement, etc., or any other function deemed necessary by the manager/maintenance officer, shall require a maintenance check flight be conducted by a club-designated maintenance check pilot. Maintenance check flight pilots shall be designated in writing by the chief flight instructor.

606. Maintenance Turns. A club employed or contracted A&P mechanic who is not a rated pilot, must be accompanied by an appropriately rated pilot to taxi aircraft beyond the immediate bounds of the club ramp. An appropriately rated pilot shall perform any high-speed taxi maintenance check.

Chapter 7

FINANCIAL MANAGEMENT

701. Local MWR Fund Financial Management. Purpose of the local MWR organization is to support local MWR activities, e.g., food, beverage, entertainment, recreation and sports, child care programs and facilities, NFCs, by providing overall supervision and administration, including financial management of their NAF financial resources.

702. Policy and Procedures. As an MWR category C activity, NFCs will comply with the financial and accounting policies and procedures defined in reference (b), (chapters 1 through 10 and appendix C) and other financial management policies, procedures and memoranda issued by NAVPERSCOM (PERS-65). NFCs operate as decentralized MWR activities. They do not operate under NAVPERSCOM Recreation and Mess Central Accounting System (RAMCAS). All flying club support services functions, e.g., accounting, banking, preparation of financial statements, personnel administration, payroll, procurement, internal control processes and procedures, marketing, publicity, etc., shall be provided by the military MWR organization.

a. Successor in Interest. NAVPERSCOM (PERS-65) is successor in interest to flying club bank accounts. CO administering a flying club will notify depositories in writing that NAVPERSCOM (PERS-65) is successor in interest to the flying club bank accounts and the bank will have no responsibility after transfer of funds to or under the order of NAVPERSCOM (PERS-658). A copy of these letters will be forwarded to NAVPERSCOM (PERS-658).

b. Financial Plans and Budgets. Budgeting consists of establishing specific future goals and periodically measuring results of those goals. Budgets shall address cash, operations and capital requirements, and contain a statement of financial condition. Budgets shall be approved by the installation CO. Local NFCs will submit annual budgets to the CO via the MWR director at least 30 days prior to the beginning of the fiscal year. Budget should be prepared using the same format prescribed for other MWR activity budget submissions and forwarded to NAVPERSCOM (PERS-658F). (Do not include the NFC budget as part of the normal MWR budget submission package).

703. MWR Base Level Accounting System (BLAS). The MWR BLAS will be used to provide accounting services for NFCs. Department and account code usage should be limited to the following (see appendix XX for guidelines for specific use of NFC accounts/departments):

	<u>Accounts</u>			<u>Departments</u>
101	181	683		00
102	183	686		03
108	251	701		10
109	301	761		
131	501	761		
132	532	763		
133	569	783		
134	601	784		
151	641	799		
171	661	812		
173	681	912		

a. NFC financial data will be recorded in BLAS under fund number 02XXX (XXX being the local 3-digit MWR fund number). Since the NFC and MWR funds will be kept separate, the local MWR business office will not transmit NFC financial data to RAMCAS at month end.

b. Unless noted herein, accounting policies and practices for NFCs are the same as those for all other MWR activities. (These are contained in the RAMCAS User Handbook as well as all other relevant NAFI financial policies and instructions.)

c. NFC financial statements should be monitored locally to the same extent that other MWR activity financial statements are reviewed. BLAS generated NFC monthly financial statements must be mailed to NAVPERSCOM (PERS-65).

d. Local MWR will provide NFC procurement requirements using NAFI procurement procedures. NFC service contracts, e.g., flight instructors, aircraft mechanics, will be prepared and maintained by the local MWR business office.

e. As defined by reference (a), NFCs are an MWR Category C activity. NFCs are not authorized any direct APF support.

f. Depreciation for NFC fixed assets will follow the guidelines per RAMCAS User Handbook. Current depreciation schedules outline an average useful life span from 2 to 10 years for aircraft. Policy waiver by NAVPERSCOM (PERS-65) is required to extend the depreciation schedule beyond the current useful life.

g. Since NFC and other MWR funds are separately maintained, use of the local NFC checking account to deposit revenues and make disbursements shall be used. NFC checkbook and related documents will be retained at the MWR business office. Additionally, the MWR business office will perform monthly reconciliation of the NFC checking account. Similar to other MWR disbursements, the MWR director (or their designated representative) will have signature authority for NFC disbursements.

h. NFC daily receipts may be deposited to the local depository bank directly by the NFC or through the local MWR central cashier process, as determined locally. At the end of each NFC cashier's scheduled working period, the cashier will count the receipts, and prepare the applicable cashier section of a Daily Activity Record (DAR). The DAR and the receipts will be turned in to the MWR business office, or deposited in a night depository-type safe, as directed, to be picked up by an authorized person from the MWR business office. If the NFC staff makes local bank deposits, proper internal control procedures require that a person other than the cashier must prepare and make the deposit. The bank deposit slip will be forwarded to the MWR business office.

i. MWR will enter NFC disbursement checks into the BLAS system manually as is done for other MWR "handwritten" checks.

j. MWR business office will process the NFC payroll. NFC employees will be added to the MWR ADP company code, which the MWR payroll clerk will use to process NFC payroll. Payment and subsequent reimbursement of NFC salary and benefit expenses will be recorded in account 00-133-00 on the MWR financial statements. Specifically, in the employees Master File of the Managistics payroll program, enter the code "AR00" as the identification number (Field 8). This will direct NFC employee gross salary expenses to account 00-133-00 on the payroll summary. When the NFC salary expenses are reimbursed to the MWR

fund, it should be credited to this same account number on the DAR. Each pay period MWR will forward an invoice to NFC representing the full salary and benefits download amount owed to the MWR Fund. While Workman's Compensation and Unemployment Benefits expenses are assessed for all employees, only regular full-time and regular part-time employees are eligible to elect certain other benefits, e.g., health, disability, life, retirement and 401K. All benefits must be manually calculated and set up as receivables in account 00-133-00. NFC employers' benefits download amounts are calculated at the following rates:

Workman's Comp	.024 times the amount of employee's gross salary
Unemployment	.012 times the amount of employee's gross salary
Medical	4.900 times the amount the employee pays
Disability	1.090 times the amount the employee pays
Life	1.090 times the amount the employee pays
Retirement	1.300 times the amount the employee pays
401K	Up to 3 percent dollar for dollar match of employee contribution

k. MWR business office will prepare and process a check from the NFC bank account to reimburse the MWR fund for actual NFC salary and benefit expenses.

l. Subsidization of NFCs by military MWR NAFs is not authorized. Further, local MWR organizations will not charge the NFC to provide support services, e.g., accounting, payroll. NFC program operating policies remain in effect as contained in reference (c).

704. Responsibilities. The administration and supervision of flying club assets and financial affairs is the responsibility

of the installation CO, who is assisted by the MWR director and club manager, and advised by the BOD.

a. Commanding Officers (COs)

(1) COs have the same responsibility for the proper administration, supervision and operation of NFC programs and funds as for any other MWR program. They are responsible for the financial condition, to include solvency, stability and dissolution of NFC funds.

(2) This responsibility is subject to the overall administrative guidance contained in this instruction to ensure that NFC programs are established, administered, and operated in a safe and efficient manner.

b. MWR Director. MWR director is designated by the CO, in writing, as the overall administrator and manager of the MWR program. MWR director is the chief operating and financial officer for all activities of the MWR department. NFC is an element of the MWR program. As such, the MWR director is accountable to the CO for flying club program content, financial integrity, and health and accomplishment of the flying program mission. The general financial duties of the MWR director are described in chapter 3 of reference (b). For the activity CO, responsibilities of the MWR director include, but are not limited to

(1) ensuring compliance with reference (b) as augmented by NAVPERSCOM (PERS-658F) and chain-of-command.

(2) reviewing and evaluating financial statements and, when directed, forwarding to higher authority.

(3) ensuring club operations are per approved budgets.

(4) preventing unauthorized appropriated or NAF support.

(5) effecting corrective action on recommendations made by audit, NAVPERSCOM (PERS-658F)/advisory personnel.

(6) endorsing recommendations of the club manager/BOD concerning NFC operations.

(7) ascertaining that flying club assets are properly administered and safeguarded, all income is received in full and recorded, all bills are paid on time, and all disbursements are made only for authorized purposes.

(8) monitor to ensure the club is financially operating in the black, or at least at a break-even point. Every effort should be made to ensure the club does not go into arrears, especially over an extended period of time.

(9) directing physical counts of inventories that are required by governing directives.

(10) designating a temporary manager when required.

c. Activity Manager. NFC manager is the on-site individual responsible for the operation of the flying club and assists the MWR director by

(1) supervising overall operation of the activity, including the development and execution of programs, budgeting, activity solvency, internal controls, and development of facility improvement, and equipment procurement programs.

(2) ensuring that financial and operating standards are met.

(3) maintaining custody of all government property of the activity and pertinent records. Manager is responsible for the safekeeping, preservation, and accessibility for inspection of all property and will not permit removal from the activity's premises without the MWR director's approval.

(4) verifying merchandise receipts and safekeeping of all merchandise.

(5) ensuring financial information and budgets are prepared within established time frames, submitted to the MWR director, MWR business office, or CO, as required.

(6) establishing effective cost controls.

(7) assisting MWR business office in maintaining accurate accounts and records.

(8) recommending employment and discharge of employees paid from activity funds and establish working hours for employees.

(9) establishing an appropriate training program for all NFC personnel.

(10) staying informed of all current policies and regulations applicable to NFC operations.

(11) developing, implementing, and maintaining an internal control system per reference (b) and locally established processes and procedures.

(12) being financially responsible for losses of monies/property when their dishonesty, fraud, or culpable negligence is established.

(13) ensure physical counts of inventories are conducted as required by governing directives.

(14) ensure preparation, accuracy, and retention of source documents including, but not limited to, accounts and records of property and transactions incident to establishment, operation, and liquidation.

(15) ensure the club is operating financially in the black, or at least at a break-even point. Every effort should be made to ensure the club does not go into arrears, especially for an extended period of time.

705. Appropriated Fund (APF) Support. Guidance for APF support for flying clubs is contained in reference (e).

706. NAF Support. Flying clubs may neither receive revenue from nor distribute dividends to other NAFIs. The loan of funds from another NAFI to a flying club (paragraph 301b) will be approved only when such a loan will not materially affect the financial status of the lending NAFI. Such loans must be approved by NAVPERSCOM (PERS-658) and will be made on a guaranteed basis with interest.

707. Fraud or Other Dishonest Act. Any employee, member, or person connected with a NFC must report to the proper authority

any suspected misappropriation, embezzlement, larceny, or robbery of property or funds, or other improper matter for action following applicable regulations, including the DOD (Assistant Secretary of Defense for Personnel and Readiness) Memorandum of 24 September 1993, Defense Policy for Nonappropriated Fund Financing Responsibility.

708. Audit and Inspection. All activities and functions within all levels of command are subject to audit and inspection. Policy guidance for audit coverage of NAFIs is contained in reference (b) chapter 10, paragraph 1002, and in reference (q), enclosure (1). Mishandling of flying club funds and property, violation of the standards of conduct, and any other improper situation will be referred to and investigated by the activity CO and, when appropriate, the Naval Criminal Investigative Service (NCIS). Irregularities of a serious nature shall be reported through the chain-of-command and NAVPERSCOM (PERS-658F) to Assistant Secretary of the Navy (Financial Management). Flying club financial records shall be audited at least annually by the local command evaluation representative.

709. Records Management. Records pertaining to administration of flying club funds shall be maintained and disposed of per reference (r), part III, chapters 5 and 7.

710. Investments. Funds shall not be generated merely for investment purposes. When, however, cash is accumulated for programmed purposes, e.g., engine replacement or overhaul, management may consider investment of funds in excess of immediate operational requirements. Regulations and restrictions regarding investment of flying club assets are contained in appendix A, attachment C.4, of reference (b).

711. Recording of Financial Transactions. Reference (b) outlines procedures for handling and recording of financial transactions for NFCs and contains established uniform chart of accounts for recording of financial transactions for NFCs.

712. Taxes. As an MWR activity, NFCs enjoy the status of a NAFI of the Federal Government and are not subject to income tax (IRS Ruling 54-556), and are not required to file income tax returns. Flying clubs are not required to file an application for exemption to establish its exempt status from federal income

BUPERSINST 1710.22
5 Jun 01

tax (IRS Ruling 667-249). Tax guidance for flying club NAF employees and contractors is provided in chapter 8 and appendix C, paragraph 0511, of reference (b).

713. Pay As You Go. Flying on credit is not authorized. Member must pay upon return from flight and will not be allowed to fly club aircraft again unless all club financial obligations have been met.

714. Advance Payment/Block Time. Paying for flight time in advance is not authorized. The only exception will be for those members that have borrowed money from a lending institution for the sole purpose of flight training (i.e., a student pilot training for a private pilot license or a member training for an instrument/commercial rating, etc.)

Chapter 8

INSURANCE

801. Liability and Hull Insurance. Aviation liability and hull insurance for all NFCs is provided by a single insurance policy which is centrally procured by NAVPERSCOM (PERS-658). All aircraft operating in the NFC program shall be covered by the NFC program centrally managed aircraft insurance policy. Aircraft not affiliated with a NFC may not be included for coverage under this policy.

802. Insurance Coverage. Coverage is defined as being for the "Non-Commercial" operations of all NFCs. Coverage applies only to the pleasure, business, and instructional uses of aircraft in the NFC Program's inventory.

803. Premiums. The Hull or Aircraft Physical Damage coverage premium is determined by the declared property values of all aircraft in an individual club's inventory. The liability coverage premium is determined by the total number of seats for all the aircraft in each individual club's inventory.

a. A premium rate is established for both hull and liability and this rate is then multiplied by either the number of seats or the total value of all aircraft to determine the premium. Each aircraft is charged only for the period of time that it is in an individual club's inventory (as determined by its declared value, using current "Blue Book" retail values and the number of seats installed during that period). Similarly, if the declared aircraft value changes, the premium is prorated on a daily basis to reflect the change in the value of the aircraft.

b. It is mandatory that all clubs advise NAVPERSCOM (PERS-658F) of all aircraft additions, deletions, and changes in value at the earliest practical date. Subsequently, NAVPERSCOM (PERS-658F) shall report this information to the aviation insurance broker and the insurance company so that no lapse in coverage occurs.

c. Premiums are billed monthly and are due and payable upon receipt of billings. The cost of the aviation insurance

coverage is borne by each individual NFC proportionate to the size of each club's aircraft inventory.

d. When writing lease agreements, lease agreements shall include terms, which allow for cancellation of lease if the aircraft becomes non-operational for an extended period of time.

804. Types of Insurance Coverage Provided

a. Liability. Liability coverage provides protection to a single limit of \$25 million for the death, or bodily injury to others, as well as damage to the property of others. "Others," defined as those persons on the ground, as well as passengers onboard NFC aircraft.

b. Hull. Hull or Aircraft Physical Damage coverage provides protection for the aircraft hulls, up to the declared value of each aircraft. The hull value for each non-government owned aircraft shall be at least 85 percent of current retail blue book value. Aircraft values are reviewed quarterly by NAVPERSCOM (PERS-658F) to ensure proper coverage is maintained. (Although there is no requirement to do so, clubs are strongly encouraged to purchase hull coverage for Government aircraft, by virtue of the fact that the MWR central insurance fund will not reimburse for damages to Government aircraft. Current minimum coverage's should be obtained from NAVPERSCOM (PERS-658F).

c. Emergency Medical. Emergency medical costs are covered relating to a covered accident or mishap, up to \$5,000 for each passenger, pilot, and crewmember within 1 year from the date of a covered accident. Specifics are available from NAVPERSCOM (PERS-658F).

805. Entities Covered by Aviation Insurance. Following named insured are covered by the insurance described in paragraph 804:

a. The United States of America and all agencies thereof.

b. All NFCs and their individual members.

c. Those certified flight instructors and aircraft maintenance personnel (A&P Mechanics) retained as independent contractors of the NFC program, but only with respect to operations by or on behalf of the NFC.

d. All employees and bona fide volunteers of a NFC while acting within the scope of their duties.

e. All registered owners of aircraft leased to a NFC.

f. All recorded lienholders of aircraft are covered for their financial interest in aircraft, which are either owned by or leased to a NFC.

806. Property Coverage Conditions

a. The current deductible, which applies to all physical damage claims, is \$1,000. This is to be borne by the individual NFC. This deductible only applies to claims for aircraft that have been damaged and are repairable (partial loss).

b. If an aircraft is totally destroyed, the hull or physical damage insurance coverage and the liability insurance coverage for that aircraft terminates, effective the day after the accident/incident.

c. If an aircraft has sustained damage resulting in a partial loss and an insurance claim is filed and subsequently paid, then both hull/physical damage and liability coverage will remain in effect. Accordingly, premiums for these coverage's will continue to be charged.

807. Promotional Programs. Caution must be exercised in the conduct of promotional events. In conjunction with an "Open House" event in support of the NFC, promotional rides may be provided to prospective new members. A one-time charge representing a per person fee to defray aircraft operating expenses related only to the introductory flight may be levied. If a prospective member is allowed to take control of the aircraft, a Certified Flight Instructor must conduct the introductory flight. Prospective members shall complete a Covenant Not to Sue, Hold Harmless and Indemnity Agreement (appendix D) before taking their introductory flight.

808. Flights to Mexico. Flights to Mexico or accidents/incidents while in Mexico may result in the pilot/crew being jailed/aircraft being impounded unless additional aviation insurance is written by a Mexican insurance company. This special insurance coverage must be verified and documented by

NAVPERSCOM (PERS-658F) prior to departure from the United States. Suitable insurance may be obtained with the help of NAVPERSCOM (PERS-658F). The cost of this additional insurance will be borne by the user flying club.

809. Reporting of Claims and Losses. Accidents and incidents that result in claims shall be reported as soon as possible to NAVPERSCOM (PERS-658F) and followed up with a "Mishap Report" or an "Unusual Occurrence Report" per chapter 9 of this instruction. The club reporting official will be advised what information will be needed by the aviation insurance company to begin adjusting and processing any claims.

a. If NAVPERSCOM (PERS-658F) cannot be reached, the NFC reporting official should contact either the Aviation Insurance Broker or the Aviation Insurance Company Claims Manager to report the accident/incident. Phone numbers for the broker and insurance company are listed on the first page of the current insurance policy maintained at each club.

b. Any person expressing a desire to file a claim against an individual NFC or against any other entity which appears to arise out of the operations of that NFC, must be referred to the Aviation Insurance Company's Claims Department as soon as possible. Club officials, members, and employees should not discuss claim matters with potential claimants or their attorney(s) except to refer them to the Aviation Insurance Company Claims Manager.

810. Requests for Clarification of Insurance Coverage. Questions pertaining to insurance coverage for the NFC Program should be addressed to NAVPERSCOM (PERS-658F).

Chapter 9

REPORTING PROCEDURES

901. Responsibility. Commanding officers (COs) of activities administering NFCs are responsible for ensuring that periodic and specific reporting requirements are met.

902. Mishap Reporting. COs shall require the investigation and reporting of all reportable injuries, fatalities, and material (property) damage involving personnel and equipment associated with NFCs operating within their respective commands. When a person is injured or killed or property damage occurs at a location remote from where club aircraft are based and operated, the naval activity nearest the scene shall notify the administering activity CO and investigate and report the mishap per this instruction, unless relieved of this responsibility by the administering activity CO. The final responsibility for ensuring that the report is submitted rests with the administering activity CO.

a. Basic Reporting Requirement. Any accidental injury, fatality, or mishap involving material (property) damage which results in one or more of the following shall be investigated and reported under this instruction:

(1) Fatality - regardless of time between injury onset and death.

(2) Five or more lost work days - away from work.

(3) Material (Property) Damage - involving any repair or replacement of property/equipment.

(4) Any incident or accident not meeting the above criteria should be reported as an "UNUSUAL OCCURRENCE."

b. USMC/USMCR Personnel. Cases of injury or fatality sustained in a NFC aircraft mishap are reportable per this instruction. These reports will be in addition to any reports required by Marine Corps regulations.

c. Submission of Reports

(1) General. Flying club mishap reports are to be unclassified (FOR OFFICIAL USE ONLY) unless classified information is included. Classified information will not normally be involved and shall be included only when essential to determination of cause factors or otherwise necessary to understand the circumstances of the mishap.

(2) Preliminary/Update/Final Aircraft Mishap Report. Flying club safety officer shall submit a Preliminary Mishap Report (BUPERS 1710-21) for any mishap involving club aircraft which results in injury to military or civilian personnel causing 5 or more lost work days/property damage in excess of \$500. This report will be submitted in addition to reports required by the NTSB. Preliminary Mishap Reports must be submitted within 24 hours. Mishap Update Reports shall be submitted, as additional information becomes available. Final Mishap Reports must be submitted within 30 days after completion of the mishap investigation(s). All reports shall be submitted (in appendix F message format) to COMNAVSAFECEN (Code 10); info NAVPERSCOM (PERS-658F); CNO (N88); "All NFC Activities"; and the reporting club's chain-of-command.

(3) NTSB 6120.1 or 7120.2, Pilot/Operator Aircraft Accident Report. CO's command appointed safety advisor shall assist the club safety officer in reporting flying club mishaps and incidents as required by reference (d). A COPY OF THIS REPORT MUST BE SUBMITTED TO COMNAVSAFECEN (CODE 10); CNO (N88); AND NAVPERSCOM (PERS-658F). If there is doubt about classification of a mishap/incident, the club safety officer should request the assistance of the nearest NTSB or FAA facility to determine the proper classification.

(4) Additional Information. Unusual occurrences not otherwise required by NTSB, part 830, but which may be used in mishap prevention must be reported to the administering activity safety office for evaluation. Copies of such reports should be sent to COMNAVSAFECEN (Code 10) and NAVPERSCOM (PERS-658F), per paragraph 902c(3).

(5) Related Reports

(a) Civilian Occupational Injury and Death. Use reference (s) for guidance in separate record keeping and reporting requirements of occupational injuries and deaths to Navy civilian personnel.

903. Unusual Occurrence Reports. Although not reportable under the guidelines listed above, in appendix F, or by reference (d), various events, whether ground or in-flight, may occur that contain useful information to prevent a future mishap or injury based on the originator's experience. Identification and issuance of the information aids in eliminating potential hazards before they result in a mishap. Each individual has an obligation to others in the aviation community to report hazards. BUPERS 1710-22, Unusual Occurrence Report message provides each flying club with a communications vehicle to report these hazards. Using the format discussed in appendix G, the originator can provide other flying clubs with a clear picture of what took place, lessons learned, and data for future trend analysis. The quality of the report obviously depends on the quality of the local investigation into the attendant circumstances. The overall success of the Unusual Occurrence Report Program depends on the submission of complete, open, and forthright information and opinions concerning safety matters.

a. Method of Submission. Unusual Occurrence Reports shall be prepared following the format discussed in appendix G and submitted to command safety advisor (CSA) for review. The CSA or authorized releasing authority will forward the message to other clubs via military message utilizing the "ALL NFC ACTIVITIES" CAD. It should be noted that the CAD message system is only to be used for dissemination of essential aviation safety information and not for routine administrative matters. (Refer to references (s) and (t) for assistance). If desired, the report may be sent via mail or message with COMNAVSAFECEN (Code 10), as the sole addressee. This reporting method may be used by activities reluctant to identify hazards arising from unique situations or circumstances. COMNAVSAFECEN (Code 10) will guard the report's confidentiality using an edited report. The exercise of command influence to edit, modify, or in any way censor the content of reports is contrary to the spirit of the program.

b. Non-Privileged Status. Unusual Occurrence Reports are not considered privileged and are releasable to the public upon appropriate official request. The only restriction on their use is designation as "FOR OFFICIAL USE ONLY." Personal identifiers, such as names and social security numbers shall not be included in Unusual Occurrence Reports, except as point of contact. If the investigation of a hazard can be properly conducted without the use of such personal information, such information should not be solicited.

c. For Official Use Only (FOUO). Unusual Occurrence Reports are FOUO. See reference (s) for instructions on the handling of "FOR OFFICIAL USE ONLY" documents.

904. Annual Report. An annual report of flying club operations shall be submitted to NAVPERSCOM (PERS-658F) no later than 30 November. BUPERS 1710-18, NFC Annual Report must cover all club activity for the preceding fiscal year. Format for the annual report is contained in appendix A and will include

- a. general operating information.
- b. flight hours per aircraft, per quarter.
- c. aircraft inventory.
- d. Membership summary as follows:
 - (1) Active duty enlisted
 - (2) Active duty officers
 - (3) Reserve enlisted
 - (4) Reserve officer
 - (5) Family members
 - (6) Retired military
 - (7) DOD/Civilian

e. administering activity CO's narrative, including an overall assessment of the club's operation and contribution to the command.

f. most recent administering activity inspection results.

905. Reporting of Receipt/Transfer of Non-Stricken, Navy Loaned-Aircraft. As noted in chapter 3, paragraph 303a, the receiving or transferring CO will submit a letter report of the transaction, report control symbol BUPERS 1710-23, Report of Receipt/Transfer of Navy Loaned Aircraft.

906. Report of Establishment/Disestablishment of a NFC. Reporting requirements incident to establishment/disestablishment of a NFC are discussed in chapter 1, report control symbol BUPERS 1710-19, Report of Establishment/Disestablishment of a NFC.

APPENDIX A
ANNUAL REPORT
BUPERS 1710-18

FLYING CLUB NAME _____

PREPARED _____ / _____
(Name) (Position Title)

Ref: (a) BUPERSINST 1710.22

1. Per reference (a), following information applies to FY-__.
2. General information about the club's activities during the fiscal year (i.e., aircraft mishaps, special events that occurred during the year, etc).
3. Number of flight hours per aircraft, per quarter.
4. Aircraft inventory, include active and inactive aircraft.
5. Membership summary at the time of this report
 - a. Active duty enlisted.
 - b. Active duty officer.
 - c. Reserve enlisted.
 - d. Reserve officer.
 - e. Family members.
 - f. Retired military.
 - g. DOD/Civilian.
6. Administrative commanding officer's (COs) narrative.
7. Attach a copy of the most recent command annual inspection.

APPENDIX B

NFC INSPECTION CHECKLIST

Flying Club Name: _____

Inspection Dates: from _____ to _____

Inspection Performed by: _____ / _____
(Name) (Position Title)

Reference: (a) BUPERSINST 1710.22

Organization, Management, and Administration

- | | Yes | No |
|--|-------|-------|
| 1. Is the flying club organized under the local MWR organization? | _____ | _____ |
| 2. Are support services functions, e.g., accounting, banking, procurement, personnel administration, payroll cash controls, internal control processes, etc., being provided by the MWR business office? | _____ | _____ |
| _____ | | |
| _____ | | |
| 3. Has the administering activity commanding officer (CO) appointed the required advisors? (para 202b) | _____ | _____ |
| _____ | | |
| _____ | | |
| 4. Do the advisors attend the BOD meetings? [para 202c (5)] | _____ | _____ |
| _____ | | |
| _____ | | |
| 5. Has the club manager established operational and administrative procedures to comply with BUPERSINST 1710.22, FARs, DOD 7000.14-R, vol 13 (para 701), and other applicable directives? | _____ | _____ |
| _____ | | |
| _____ | | |

- | | Yes | No |
|---|-------|-------|
| 6. Do accounting procedures comply with DOD 7000.14-R, vol 13 (para 701a)? | _____ | _____ |
| <hr/> <hr/> | | |
| 7. Are adequate hangar space and related facilities provided by the base? (para 105b), 202)? | _____ | _____ |
| <hr/> <hr/> | | |
| 8. Are all required command inspections being performed? [para 202 and para 203] | _____ | _____ |
| <hr/> <hr/> | | |
| 9. Does the administering activity CO's inspection team consist of: (para 203) | | |
| a. Activity Safety Advisor? | _____ | _____ |
| b. Activity Operations Advisor? | _____ | _____ |
| c. Activity Maintenance Advisor? | _____ | _____ |
| d. Command Evaluation or Internal Review staff? | _____ | _____ |
| 10. Does the inspection team use checklists and cite references for discrepancies noted? (para 203) | _____ | _____ |
| <hr/> <hr/> | | |
| 11. Is the BOD properly organized? (para 205) | _____ | _____ |
| <hr/> <hr/> | | |
| 12. Is the BOD discharging its duties properly? (para 205) | _____ | _____ |
| <hr/> <hr/> | | |
| 13. Is the manager a NAF employee? (para 206) | _____ | _____ |
| <hr/> <hr/> | | |

	Yes	No
14. Are flight instructor contracts set up properly? (para 208)	_____	_____
<hr/> <hr/>		
15. Has a chief flight instructor been designated? (para 207)	_____	_____
<hr/> <hr/>		
16. Is flying club membership restricted to those eligible? (para 209d)	_____	_____
<hr/> <hr/>		
17. Is a membership and training folder available for each member? (para 214)	_____	_____
<hr/> <hr/>		
18. Does each individual training folder contain the following minimum information? (para 214)		
a. Membership data (approved membership application)?	_____	_____
b. Written examinations? (paras 214e & 416)	_____	_____
c. Check-out records?	_____	_____
d. Annual standardization check records?	_____	_____
19. Are pilot information cards (PIC) available for flight clearance authority use? If PIC cards are not used, pilot information must be available via computer access. (para 215)	_____	_____
<hr/> <hr/>		

Aircraft, Equipment and Supplies

	Yes	No
1. Were new aircraft acquired properly? (para 301)	_____	_____
<hr/> <hr/>		
2. Does the club have more aircraft than its level of membership can support? (para 302)	_____	_____
a. Approximately 20 members per aircraft?	_____	_____
b. Approximately 35 to 40 revenue-producing hours per month for each aircraft?	_____	_____
<hr/> <hr/>		
3. Can aircraft be operated within existing club maintenance resources? (para 302)	_____	_____
<hr/> <hr/>		
4. Are any aircraft and engine replacement parts obtained through the Navy supply system?	_____	_____
a. Are they resold or passed to privately-owned or leased aircraft? (para 305a)	_____	_____
b. Is the cost of parts obtained through the Navy supply system fully reimbursed by the flying club? (para. 306)	_____	_____
<hr/> <hr/>		
5. Are fuels and chemicals made available under current Navy Supply System directives? (para 306)	_____	_____
<hr/> <hr/>		

- | | Yes | No |
|--|-------|-------|
| 6. Is aviation fuel purchased under the Navy Supply System resold to individuals for use in privately-owned aircraft? (para 306) | _____ | _____ |
| <hr/> | | |
| 7. Is the cost of aviation fuel procured from the Navy Supply System fully reimbursed by the flying club? (para 306) | _____ | _____ |
| <hr/> | | |
| 8. Does club spare parts inventory reflect anticipated usage? (para 307) | _____ | _____ |
| <hr/> | | |
| 9. Is club property safely and securely stored? (para 307) | _____ | _____ |
| <hr/> | | |
| 10. Are inventories of club property taken quarterly? (para 307) | _____ | _____ |
| <hr/> | | |
| 11. Do all club aircraft have current FAA registration? (para 308) | _____ | _____ |
| <hr/> | | |

Operations, Training, and Standardization

- | | | |
|---|-------|-------|
| 1. Is the established local flying area within 100 nautical miles? (para 401a) | _____ | _____ |
| <hr/> | | |
| 2. Is the local flying area clearly displayed in the club facility? (para 401a) | _____ | _____ |
| <hr/> | | |

- | | Yes | No |
|---|-------|-------|
| 3. Is a system in effect which ensures that all pilots read and initial the PIF before flying as pilot-in-command? para 403b (2) | _____ | _____ |
| <hr/> | | |
| 4. Are all flight clearance authorities designated in writing by the administering activity CO? (para 401) | _____ | _____ |
| <hr/> | | |
| 5. Does the club allow members to perform aerobatic maneuvers other than those allowed in para 4041? | _____ | _____ |
| <hr/> | | |
| 6. Are solo student pilots permitted to perform touch-and-go landings? (para 405d) | _____ | _____ |
| <hr/> | | |
| 7. Is there evidence of any flying club aircraft being used for commercial purposes? (para 404i) | _____ | _____ |
| <hr/> | | |
| 8. Are all cross-country flights (outside the local flying area) formally requested by the pilot-in-command and formally approved by a flying club flight clearance authority? (para 418) | _____ | _____ |
| <hr/> | | |
| 9. Are up-to-date checklists for performing preflight inspections available for all models of aircraft being flown? (para 410a) | _____ | _____ |
| <hr/> | | |

- | | Yes | No |
|---|-------|-------|
| 10. If aircraft are operated over water or unique terrain, are life preservers and survival equipment commensurate with the operation available? (para 410) | _____ | _____ |
| _____ | | |
| _____ | | |
| 11. Are checklists available which include procedures for preflight, before start, before takeoff, cruise, before landing, after landing, secure, postflight, single-engine procedures (if appropriate), normal and emergency procedures, best climb and glide speeds, stall speeds, and lost communication procedures? (para 410a) | _____ | _____ |
| _____ | | |
| _____ | | |
| 12. Are all flights scheduled in the club office before takeoff? (para 412) | _____ | _____ |
| _____ | | |
| _____ | | |
| 13. Does the standardization board meet quarterly, document its meetings, and forward a copy of meeting minutes to the administering activity CO (para 414) | _____ | _____ |
| _____ | | |
| _____ | | |
| 14. Is a standardization evaluation flight check given to each flying club member in each specific make and model aircraft before initial flight as pilot-in-command? (para 415) | _____ | _____ |
| _____ | | |
| _____ | | |
| 15. Are the written examination portions (or answer sheets) of all standardization flights included in the member's training folder? (paras 214 & 416) | _____ | _____ |
| _____ | | |
| _____ | | |

Yes No

16. Do student pilots demonstrate their proficiency to an instructor pilot at least once each 30 days? Are student pilots grounded until this requirement is met? (para 417)

17. Are pilots who fail to maintain currency within the appropriate time period grounded until a flight check is accomplished? (para 417a(2) and 417d)

18. Is a primary ground school available for all primary students? (para 420)

19. Has the chief flight instructor developed instructions to be followed by all flight instructors? (para 207)

Safety

1. Is the flying club safety officer a certified private pilot or higher with 200 or more flying hours? (para 502)

2. Are safety meetings conducted and are file minutes available for membership review within 5 work days after the meeting? (para 502b)

- | | Yes | No |
|--|-------|-------|
| 3. Has the administering activity CO appointed the command aviation safety officer or ground safety officer (if not an aviation activity) as an advisor to the BOD? (para 504) | _____ | _____ |
| <hr/> <hr/> | | |
| 4. Does the command safety officer participate in the annual inspection of the club? (para 504b) | _____ | _____ |
| <hr/> <hr/> | | |
| 5. Are mishap reports and safety related materials available to the flying club? (para 504d) | _____ | _____ |
| <hr/> <hr/> | | |
| 6. Does the club have a qualified NAVOSH officer designated in writing? (para 507) | _____ | _____ |
| <hr/> <hr/> | | |
| 7. Does the activity safety officer report accidents and incidents properly? (para 504) | _____ | _____ |
| <hr/> <hr/> | | |
| 8. Is attendance at club safety meetings mandatory? (para 505) | _____ | _____ |
| <hr/> <hr/> | | |
| 9. Are members who fail to attend a safety meeting denied all flying privileges until they are cleared by the safety officer? (para 505c) | _____ | _____ |
| <hr/> <hr/> | | |

10. Is the command aviation safety officer familiar with flying club accident and incident reporting procedures and are their services readily available to the club? (para 504) Yes No

11. Are undue structural stresses such as hard landings or severe turbulence documented on the appropriate aircraft log and is the aircraft inspected for airworthiness before being released for subsequent flights? (para 602g) _____

12. Does the flying club safety officer have a premishap plan? (para 502h) _____

Aircraft Maintenance

1. What is used to document a discrepancy found on a club aircraft? (para 602e) _____

2. How are club aircraft kept from being flown with uncorrected safety-of-flight discrepancies? [para 603c(5)] _____

3. Is there a maintenance discrepancy log for each aircraft that contains all discrepancies and corrective actions for the last 200 hours of operation? (para 602e and f) _____

	Yes	No
4. Has all the maintenance requiring airworthiness certification been logged in the aircraft/engine logbook? [para 603c(6)]	_____	_____
<hr/>		
5. Do the entries bear the signature and license number of an appropriately rated mechanic? (FAR, parts 43.0 and 43.11)	_____	_____
<hr/>		
6. Does the maintenance officer coordinate all club maintenance requirements? (para 603c)	_____	_____
<hr/>		
7. Is the administering activity providing support when needed? [paras 306 and 603c(1)]	_____	_____
<hr/>		
8. Is the maintenance scheduled so as to provide maximum availability of aircraft during peak times (weekends, holidays)? [para 603c(12)]	_____	_____
<hr/>		
9. Does the maintenance program provide for the following: (para 601)		
a. A schedule of FAA required inspections?	_____	_____
<hr/>		
b. Routine inspections?	_____	_____
<hr/>		
c. Engine replacement or overhaul?	_____	_____
<hr/>		
d. Component overhaul or replacement?	_____	_____
<hr/>		

	Yes	No
e. Replacement of hoses at required intervals? _____	_____	_____
f. Positive corrosion control? (AC 43-4B) _____	_____	_____
10. Are aircraft maintenance checklists available for each type aircraft? (para 602b) _____ _____	_____	_____
11. Are the checklists used when performing required maintenance inspections? (para 602b) _____ _____	_____	_____
12. Is an adequate Tool Control Program available in writing and apparently enforced? [para 603c(3)] _____ _____	_____	_____
13. Are the replacement parts under positive control? [para 603c(4)] _____ _____	_____	_____
14. Is there an up-to-date inventory of supplies? (para 307) _____ _____	_____	_____
15. Are logbooks maintained for each club aircraft and engine as required by FAA directives? [para 603c(6)] _____ _____	_____	_____
16. Is the club on automatic distribution for changes and revisions to manufacturer's publications and FAA directives? [para 603c(10)] _____ _____	_____	_____

17. Does the club have or have access to the following? [para 603c(10)(a)-(1)]	Yes	No
a. Manufacturer's publications for each type aircraft, engine, and propeller maintained by the club (service manuals, letters, and bulletins)	_____	_____
b. FAR part 39 (Airworthiness Directives and volume 1, Summary of Airworthiness Directives for Small Aircraft).	_____	_____
c. FAR, part 43 (Maintenance, Preventive Maintenance, Rebuilding, and Alteration)	_____	_____
d. FAR, part 45 (Identification and Registration Markings)	_____	_____
e. FAR, part 47 (Aircraft Registration)	_____	_____
f. FAR, part 61 (Certification: Pilots and Flight Instructors) [para 403b(1)(b)]	_____	_____
g. FAR, part 65 (Certification-Airman other than Flight Crewmembers)	_____	_____
h. FAR, part 91 (General Operating and Flight Rules) [para 403b(1)(b)]	_____	_____
i. FAA AC 43-16 (General Aviation Airworthiness Alerts)	_____	_____
j. FAA AC 43-13.1B (Acceptable Methods, Techniques and Practices - Aircraft Inspection and Repair)	_____	_____

	Yes	No
k. FAA AC 43-13.2A (Acceptable Methods, Techniques and Practices - Aircraft Alterations)	_____	_____
<hr/>		
l. FAA AC 43-4B (Corrosion Control for Aircraft)	_____	_____
<hr/>		
m. FAA AC 43-9B (Maintenance Records, General Aviation Aircraft)	_____	_____
<hr/>		
18. Are annual material condition inspections being performed on each club aircraft? (Station AIMD/OMD QA) (para 604a)	_____	_____
<hr/>		
19. Is there a record of previous aircraft material condition inspection results?	_____	_____
<hr/>		
20. Check one or more club aircraft for:		
a. Up-to-date airworthiness certificate (FAR, parts 43 and 91)	_____	_____
b. Current aircraft equipment inventory (FAR, part 91)	_____	_____
c. Current weight and balance (FAR, part 91)	_____	_____
d. Cabin interior for FOD	_____	_____
e. Engine cavity for FOD	_____	_____
f. Exterior for corrosion, loose/missing fasteners	_____	_____
21. Does the club status board reflect the following for each aircraft? [para 603c(13)]		
a. Time until 100-hour inspection	_____	_____

	Yes	No
b. Date annual inspection, transponder, static/altimeter, and ELT battery checks due	_____	_____
c. Time until major overhaul (if applicable)	_____	_____
d. Time until next AD (including next recurring)	_____	_____
e. Current aircraft status	_____	_____
22. Check the hangar for the following:		
a. Grounding points for aircraft (MIL-HDBK-274 & NFPA 410)	_____	_____
b. Safety precautions posted for each piece of shop machinery (OSHA 29 CFR 1910.145)	_____	_____
c. Electrical power control switches for each piece of shop machinery (painted red) (NAVFAC P-309)	_____	_____
d. Hazard areas properly marked, identified and color coded (NAVFAC P-309)	_____	_____
e. Proper storage of flammable materials (OPNAVINST 5100.23E, OPNAVINST 5090.1B)	_____	_____
f. Eye protective equipment for operating hazardous equipment (OPNAVINST 5100.23E, para 1902 and para 2004)	_____	_____
g. Emergency eyewash facility provided in areas where corrosive materials are used (ANZI Z358.1-1981, OPNAVINST 5100.23E, para 1902)	_____	_____
h. Provisions for disposal of hazardous waste (OSHA 29CFA 1910.106)	_____	_____
23. Does the maintenance officer have, in writing, a fuel quality assurance program? [para 603c(8)]	_____	_____

	Yes	No
24. Does the maintenance officer coordinate and conduct a FOD walkdown of the hangar spaces and ramp areas, which are used by the flying club, a minimum of once a week? [para 603 (15)]	_____	_____

Financial Management

Cash Controls:

1. Are financial statements prepared monthly and forwarded to NAVPERSCOM?	_____	_____
---	-------	-------

2. Are bank statements reconciled monthly? By whom? (DOD 7000.14-R, vol 13, para C050606)	_____	_____
---	-------	-------

3. Are cash receipts accurately documented and safeguarded? (DOD 7000.14-R, vol 13, para C0506)	_____	_____
---	-------	-------

4. Are investments of club assets made per DOD 7000.14-R, vol 13? (appendix C, chapter 7, and attachment C.4)	_____	_____
---	-------	-------

5. Does the club's management of assets, payment of liabilities and billing, and collection of income substantially conform to DOD 7000.14-R, vol 13 (chapter 1, para 0102), BUPERSINST 1710.22, and the club's constitution, bylaws and regulations?	_____	_____
---	-------	-------

6. Do accounts, records and procedures support an internal control system? (DOD 7000.14-R, vol 13, para 0102).	_____	_____
--	-------	-------

Yes No

a. Who are authorized to sign checks? Where is the checkbook kept? _____

b. How often are the bank deposits made? Who makes the deposits? Who checks to make sure that deposits were actually made? _____

c. Is there a safe? Who has the combination? _____
Who has access to the working cash drawer? _____

d. Are proper letters of authorization and custody sheets on file for any established petty cash funds? _____

Inventory/Resale:

1. Do you have resale inventory? (DOD 7000.14-R, vol 13, chapter 3, para 030204, and appendix C, para C051205B) _____

a. How often are inventories of resale items taken? By whom? _____

b. Is pricing of resale inventories sufficient to cover the cost of goods sold? At what percentage above cost are items priced? _____

c. What is the average amount of resale inventory carried? _____

Yes No

d. How is the inventory safeguarded? _____

2. Do resale prices agree with both procurement documents and invoices? (DOD 7000.14-R, vol 13, chapter 4, paras 0401, 0402, and appendix C, para 051202) _____

Fixed Assets:

1. Are changes in the value of fixed assets documented? (DOD 7000.14-R, vol 13, chapter 3, para 030301) _____

2. Are fixed asset inventories conducted annually? _____

3. Are NAF and APF asset inventories available and current? _____

4. Have depreciation schedules been derived for fixed (non-consumable) assets with an acquisition value more than \$1,000.? Is depreciation expense recorded? (DOD 7000.14-R, col 13, chapter 3, para 030301, and appendix C, para 051203) _____

5. Are lease agreements on file for leased aircraft? _____

	Yes	No
a. Have lease agreements been signed by an authorized contracting officer? Are lease agreements current?	_____	_____
<hr/>		
b. Are aircraft rental rates competitive?	_____	_____
<hr/>		
c. Do lease agreements provide sole use of the flying club membership?	_____	_____
<hr/>		
d. Are leased aircraft equally available to all flying club members?	_____	_____
<hr/>		
e. Do lease agreements provide for termination if the aircraft becomes inoperable?	_____	_____
<hr/>		
f. Do lease agreements specify maintenance requirements? (BUPERSINST 1710.22 para 301)	_____	_____
<hr/>		

Procurement/Payables

1. Are bills paid promptly? Are invoices supported by copies of purchase orders? Are invoices certified for payment? (DOD 7000.14-R, vol 13, chapter 4, paras 040103, 0402 and 0405)	_____	_____
	_____	_____
	_____	_____
<hr/>		
<hr/>		

- | | Yes | No |
|--|-------|-------|
| 2. Are any other payables, such as amounts due NAVPERSCOM, a bank or a lessor for aircraft, out-standing as of 30 September, recorded as liabilities?(DOD 7000.14-R, vol 13, chapter 4, para 0401) | _____ | _____ |
| <hr/> | | |
| 3. Do procurement procedures conform to BUPERSINST 7043.1B, | _____ | _____ |
| <hr/> | | |
| 4. Who orders the parts, supplies and equipment for the flying club? Does the person have a current warrant? What level? | _____ | _____ |
| <hr/> | | |
| 5. Are there any contracts used for flight instructors, A&P mecahnics, etc? | _____ | _____ |
| How many? Are they current? | _____ | _____ |
| Are they signed by an authorized contracting officer? | _____ | _____ |
| <hr/> | | |

Accounts Receivable

- | | | |
|---|-------|-------|
| 1. Are accounts receivable reviewed (A/R)?
How often are A/R reviewed and by whom? _____ | _____ | _____ |
| <hr/> | | |
| 2. Who and how are A/R files maintained? _____ | | |
| <hr/> | | |
| 3. Who accepts A/R monies from club members? | | |
| <hr/> | | |
| 4. What type of charges are recorded to A/R? _____ | | |
| <hr/> | | |

- | | Yes | No |
|--|-------|-------|
| 5. What type of charges are recorded on monthly statements? Do monthly statements agree with the flying club members' accounts? DOD 7000.14-R, vol 13, chapter 3, para 030203 A) _____ | _____ | _____ |
| <hr/> | | |
| 6. Are there any A/R over 60/90/120 days? What efforts are taken to collect aged A/R? _____ | _____ | _____ |
| <hr/> | | |
| 7. Are uncollectable accounts written off against bad debt expense with the commanding officer approval? (DOD 7000.14-R, vol 13, chapter 3 para C.4) _____ | _____ | _____ |
| <hr/> | | |
| 8. Are there any service charges? Have service charges been approved by the CO? (BUPERSINST 1710.11C) _____ | _____ | _____ |
| <hr/> | | |

Expenses/Income/Fees

- | | | |
|--|-------|-------|
| 1. Is the flying club manager a paid NAF employee? Where is the manager's personnel file maintained? _____ | _____ | _____ |
| <hr/> | | |
| 2. Are there other employees in the flying club? How many? _____ | _____ | _____ |
| <hr/> | | |
| 3. Who pays payroll? Are withholding taxes and FICA paid monthly? Do IRS Forms 941 agree with pay records and are they filed quarterly? Is unpaid payroll as of 30 September recorded as a liability? (DOD 7000.14-R, vol 13, chapter 8 and appendix C, para 0511) _____ | _____ | _____ |
| <hr/> | | |

	Yes	No
4. Does the club utilize (non-flying club members) volunteers to help in club functions? If so, have they signed volunteer agreements? _____ _____	_____ _____	_____ _____
5. Are signed and current personal services contracts on file? Are 1099 Forms filed? _____ _____	_____ _____	_____ _____
6. Who approves expenditures? _____ _____		
7. Where applicable, do storage and tie-down agreements exist? a. Are charges per the agreement? b. Are privately owned aircraft excluded from such agreements? _____	_____ _____ _____	_____ _____ _____
8. Have major overhauls and routine maintenance been deferred due to insufficient funds? Does the club provide for these expenses? _____ _____	_____ _____	_____ _____
9. Are all club aircraft assets properly insured? a. Are insurance premiums paid promptly to NAVPERSCOM? (BUPERSINST 1710.22, para 801) _____ _____	_____ _____	_____ _____
b. Are any changes in insurance requirements promptly forwarded to NAVPERSCOM? _____ _____	_____ _____	_____ _____

- | | Yes | No |
|---|-------|-------|
| c. Are the club's insurance payments in arrears? | _____ | _____ |
| <hr/> | | |
| <hr/> | | |
| 10. Is aircraft fuel expense equivalent to usage? | _____ | _____ |
| <hr/> | | |
| <hr/> | | |
| 11. Does the rate structure cover all club expenses including insurance, depreciation and reserves for overhaul? (BUPERSINST 1710.11B). | _____ | _____ |
| <hr/> | | |
| <hr/> | | |

APPENDIX C

**NFC MANAGER
STANDARD POSITION DESCRIPTION
NF-1101**

I. INTRODUCTION

This position is that of Manager of the _____
NFC located at _____
The function of this position includes, but is not limited to,
the management of daily operations of the _____
NFC using applicable directives. Department of Defense (DOD),
Navy, Federal Aviation Administration (FAA), and National
Transportation Board (NTSB) regulations. The manager works
under the general supervision of the Morale, Welfare and
Recreation (MWR) director, assisted by the Club Board of
Directors (BOD).

II. MAJOR DUTIES AND RESPONSIBILITIES

A. Administration

1. Under the supervision of the MWR director, has overall responsibility for all flying club activities.
2. Attends meetings and reviews minutes of the BOD, safety, standardization, and general membership meetings to coordinate administrative and operational matters and recommend follow-up on items affecting club operations.
3. Monitors performance of all contractors (flight instructors, aircraft mechanics, etc.) to ensure compliance with the provisions of their contracts. Instances of non-compliance or non-performance will be documented and reported to the BOD and the MWR director for appropriate action.
4. Prepares information for NAVPERSCOM (PERS-658F) concerning required insurance coverage on all club-operated aircraft, including information on change in an aircraft status that may impact insurance coverage (aircraft down in excess of 90 days, change from two place to a four place aircraft, etc.). Ensures aircraft insurance premium payments are sent to NAVPERSCOM (PERS-658F) on a monthly basis.

5. Supervises employees engaged in functions incidental to daily operations.

6. Maintains status as a non-voting member of the club BOD.

7. Ensures that bulletin boards, charts, status boards, and pilots information files [PIF (1) and (2)] are current.

8. Ensures that club members who lease aircraft to the club are not in a position to affect flight instruction or aircraft scheduling for personal gain.

9. Corrects deficiencies noted during all club inspections and files reports for future inspectors and evaluators.

10. Provides necessary information for the Club Annual Report, which is prepared and sent to NAVPERSCOM (PERS-658F) (via the CO) no later than 30 November.

11. Ensures all club aircraft are properly registered with the FAA. Ensures a proper Aircraft Lease Agreement is in effect prior to operating a leased aircraft in the club.

B. Safety

1. Ensures a club safety meeting is held at least every 2 months.

2. Ensures the MWR director, commanding officer, FAA, and/or base operations are notified of overdue aircraft or other emergencies. Ensures a Premishap Plan is developed to include procedures to recall or shelter aircraft in the event of hazardous weather advisories.

3. Ensures all aircraft mishaps and unusual occurrences are reported to the MWR director, CO, Naval Safety Center, NAVPERSCOM (PERS-658F), and all NFC Activities.

4. Recommends the suspension of membership privileges of any member suspected of having engaged in negligent acts, willful misconduct, drug or alcohol abuse.

5. Maintains current Flight Clearance Authority (FCA) list signed by CO.

6. Has responsibility and authority to stop any flying club pilot, local or transient, from flying when, in their judgment, flight safety is compromised.

C. Operations

1. Maintains a flight schedule for all flights on a first-come, first-serve basis.

2. Establishes a mandatory equipment list for survival gear for type of flight being flown, e.g., survival vest for over-water flights.

3. Recommends the designation of a club chief flight instructor.

D. Maintenance

1. Ensures compliance with FAA maintenance directives, including Airworthiness Directives that apply to aircraft operated within the club.

2. Ensures a positive means of securing unattended aircraft, and implements procedures to prevent members from flying club aircraft with an uncorrected discrepancy that may adversely affect safety of flight.

3. Ensures a written quality assurance program is established for fuels, to include replacement of filters, inspection of fuels storage tanks, and pumping equipment sumps for contamination.

4. Ensures a positive tool control program is established in writing.

5. Ensures proper procedures for storage, handling, and disposal of hazardous materials are met.

6. Ensures that all club spaces are kept clean and serviceable.

E. Supply

1. Conducts inventories of club property, spare parts, and office supplies as applicable with pertinent operating instructions.

2. Ensures proper control and storage of equipment and prompt disposal of excess materials.

F. Finance

1. Ensures all requirements for procurement of equipment, goods and services are forwarded via purchase requests to the MWR business office for processing and are per the approved flying club budget.

2. Assists in preparation of cost analysis to ensure adequate aircraft rental fees.

3. Receives, safeguards, and helps ensure proper accounting of monies and assets per applicable instructions and regulations.

4. Assists in developing, implementing, and maintaining internal control processes and procedures as required by the MWR business office and pertinent NAF regulations;

5. Ensures timely submission of financial accounting data and source documents to the MWR business office to facilitate preparation of financial reports.

6. Assists in preparation of the flying club's annual report, which will be sent to NAVPERSCOM (PERS-658) later than 30 November.

FACTORS

I. KNOWLEDGE REQUIRED BY THE POSITION

Knowledge and skill to conduct and supervise the ongoing evolutions of a small business.

A minimum rating of Private Pilot Certificate issued by the Department of Transportation, Federal Aviation Administration (FAA) of the United States of America is recommended.

Background in either military or general aviation is desirable.

Basic working knowledge of the Federal Aviation Regulations (FARS), National Transportation Safety Board (NTSB) Regulations, Advisory Circulars (ACs), Aeronautical Information Manual (AIM), and Airworthiness Directives (AD).

Basic computer skills to enter and track club membership data.

II. SUPERVISORY CONTROLS

Club manager works under direct supervision of the MWR director and is assisted by members of a NFC Board of Directors.

Supervises employees engaged in functions incidental to daily club operations.

Monitors performance of all contractors (flight instructors, aircraft mechanics, etc.) to ensure compliance with the provisions of their contracts.

III. GUIDELINES

Manager conducts club business using the Department of Defense (DOD), current NFC Operating Instruction (BUPERSINST 1710.22), Navy, FAA and NTSB Regulations, Club Constitution and Bylaws, Safety, NAF accounting policies and regulations, and all applicable rules and regulations.

IV. COMPLEXITY

The work consists of projects and studies, which require analysis of interrelated issues of effectiveness, efficiency/productivity of the local flying club. Work requires planning, establishing goals, and budgeting for both short and long term objectives. Decisions about how to proceed in planning, organizing, and conducting studies are complicated by conflicting concerns that are both internal and external to the Club.

Although the difficulty of any one task is moderate, the integration of the manager with walk-in business, telephone calls, and flight schedule demands, may be taxing at times.

V. SCOPE AND EFFECT

The manager is pivotal to the effectiveness of the local flying club. Inaccurate or incomplete work could cause failure of the flying club.

The function of this position is essential for the flying club to provide an off-duty voluntary recreational opportunity for authorized patrons to develop skills in aeronautics, piloting, navigation, maintenance, and other related aero sciences.

VI. PERSONAL CONTACTS

The manager works regularly with MWR personnel, club employees, contract personnel, various base level personnel, CO, command advisors, vendors, financial institutions, and current and potential club members. The manager occasionally makes contact with representatives from the FAA, NTSB, NAVPERSCOM (PERS-658F), and other NFC Managers.

VII. PURPOSE OF CONTACTS

The purpose of contacts is for planning, implementing, administrating, and assisting in all aspects of the flying club. The manager must be skillful in approaching individuals or groups to obtain the desired effect, such as gaining compliance with established policies and regulations by persuasion and negotiation.

VIII. PHYSICAL DEMANDS

The manager's work is generally sedentary, such as sitting comfortably while working on a computer, or at a desk. However, the manager may be required to climb into, onto, and around aircraft to assist in aircraft movements. If pilot currency is maintained, the manager will be required to pass an appropriate FAA medical examination.

IX. WORK ENVIRONMENT

The manager generally works in an office setting, which includes everyday risks, or discomforts that require normal safety precautions. May require manager to enter an environment where hazardous materials are used or stored, such as aviation fuel, oil, greases, and cleaning solvents. May require travel to Annual NFC Program Workshop.

FLYING CLUB MANAGER GRADING PLAN

1. This standard does not describe all possible levels at which manager positions may be established. Basically, the duties remain the same regardless of the club size; however, the volume of work varies significantly with club size. Therefore, the quantitative classification criteria below should be used to classify the flying club manager position. These factors reflect varying ranges of operational data. Locally, the data shall be compiled on a calendar year (CY) basis and divided by 12 to arrive at a monthly average for each factor. A comparison of the monthly average factor criteria will yield point values that can be collectively converted to grade levels.

2. OPERATIONAL FACTORS:

a. <u>Number of Aircraft</u>	<u>Points</u>
1-5	1
6-10	2
11-15	3
16-20	4
21-25	5
Over 25	6

b. <u>Monthly Flying Hours</u>	<u>Points</u>
Under 200	1
200-300	2
301-400	3
401-500	4
501-600	5
601-700	6
701-800	7
801-900	8
901-1000	9
Over 1000	10

<u>c. Number of Piloting Members</u>	<u>Points</u>
Under 100	1
100-150	2
151-200	3
201-250	4
251-300	5
301-350	6
351-400	7
Over 400	8

<u>d. Number of Students</u>	<u>Points</u>
<u>(Primary through Advanced)</u>	
Under 30	1
30-50	2
51-70	3
71-90	4
91-110	5
111-130	6
131-150	7
Over 150	8

3. Conversion Table for Determining Grade Levels: The following table should be used to convert the points to grade levels for flying club managers:

<u>Total Points</u>	<u>Grade Level</u>
Under 8	NF-3
8-12	NF-3
13-16	NF-3
17-20	NF-3
21-24	NF-4
25-28	NF-4
Over 28	NF-4

APPENDIX D

**SAMPLE COVENANT NOT TO SUE, HOLD HARMLESS AND INDEMNITY
AGREEMENT**

Name of NFC: _____

Date: _____

I, *_____, am about to participate voluntarily in various activities, including flying activities, of the _____ NFC as a pilot, student pilot, copilot, instructor or passenger. In consideration of the Flying Club permitting me to participate in these activities, I, for my heirs, administrators, executors, and assignees, hereby covenant and agree that I will never institute, prosecute, or in any way aid in the institution or prosecution of, any demand, claim, or suit against the U.S. Government and/or its officers, agents, or employees, acting officially or otherwise, for any loss, damage, or injury to my person (including death), or my property which may occur from any cause whatsoever as a result of participation in the flying club.

If I or my heirs, administrators, executor, and assignees should demand, claim, sue, or aid in any way in such a demand, claim, or suit, I agree to indemnify the U.S. Government for all damages, expenses, and costs it may incur as a result thereof.

I understand and agree I am assuming the risk of death, any personal injury or property damage to me that may result while participating in flying club activities, including such injuries or damage that may be caused by the negligence of the U.S. Government.

I also understand and agree I may be held liable for any damage or loss to the U.S. Government which is caused by my gross negligence, willful misconduct, or fraud.

The term "U.S. Government" as used here includes the _____ NFC including individual members and any officer, agent or employee of the U.S. Government/or the Flying Club, acting officially or otherwise.

In the event of an emergency, contact the following:

Name _____

Address _____

Phone _____

Date

Signature of Participant

Signature of Flying Club Official

If a minor is to participate, complete the following:

* If a minor, so indicate and state age. The minor will sign if capable of signing. If not capable, have parent sign for the minor, e.g., "John Jones by Harry Jones, his father" and sign below.

FOR MINORS:

I/We, _____ parents of the above-said minor child do hereby: (1) consent to my child participating in the _____ NFC activities; (2) agree to and adopt as my own the conditions of the above agreement; and (3) agree to reimburse the U.S. Government for any damage incurred for which my child would be liable had my child reached the age of majority.

Date

Parent's/Guardian's Signature

(The above form is to be completed for all minors, regardless of age and regardless of whether the parent/guardian has executed the indemnity agreement form on behalf of the minor).

BUPERSINST 1710.22
5 Jun 01

APPENDIX E
REPORT OF NAVY-LOANED AIRCRAFT OUT OF SERVICE
SAMPLE MESSAGE

Routine/Unclassified

FROM: (ADMINISTERING ACTIVITY FOR THE FLYING CLUB)

TO: CNO WASHINGTON DC//N78//

INFO: NAVPERSCOM MILLINGTON TN//65//
NAVAL INVENTORY CONTROL POINT PHIL PA//03432.06//
COMNAVAIRSYSCOM MD//5.05//
(CHAIN OF COMMAND)

UNCLAS //N01710//

FLYING CLUB REPORT OF NAVY-LOANED AIRCRAFT OUT OF SERVICE,
BUPERS 1710-20

REF/A/BUPERSINST 1710.22

1. Initial report, follow-up report number 1, 2, etc., final report (as applicable).
2. Name of club.
3. Model/BUNO/FAA Reg. No.
4. Date last flown.
5. Brief description of discrepancy(ies) ("N" on follow-up report unless there are changes or additions).
6. Estimated cost of repair (total on Final Report).
7. Brief description of planned corrective action ("NA" on Final Report).
8. Estimated completion date (date returned to service on Final Report).
9. Requests/Remarks/Recommendations.

BUPERSINST 1710.22
5 Jun 01

APPENDIX F
NFC PRELIMINARY/UPDATE/FINAL AIRCRAFT MISHAP REPORT
SAMPLE MESSAGE

1. General. The format and content shown below are to be used for reporting NFC aircraft mishaps using NTSB part 830 terms of accident or incident. Preliminary accident or incident reports are to be submitted within 24 hours with updates as necessary. Final reports are to be submitted within 30 days after completion of all mishap investigations.

2. Content and Format
(Precedence - Routine)

FROM: ADMINISTERING ACTIVITY FOR THE FLYING CLUB
TO: COMNAVSAFECEN NORFOLK VA//10//(OR OFFICE CODE IF KNOWN)

INFO: CNO WASHINGTON DC//N78//
NAVPERSCOM MILLINGTON TN//PERS-65//
YOUR CHAIN OF COMMAND
ALL NFC ACTIVITIES

UNCLAS FOUO (NORMALLY UNCLAS UNLESS CLASSIFIED INFORMATION MUST BE INCLUDED)

THIS IS A GENERAL USE MISHAP REPORT TO BE USED ONLY FOR SAFETY PURPOSES PER BUPERSINST 1710.22

SUBJ: PRELIMINARY/UPDATE/FINAL (AS APPLICABLE) NFC (ACCIDENT/ INCIDENT) AIRCRAFT MISHAP REPORT (REPORT SYMBOL BUPERS 1710-21)

MSGID/GENADMIN/YOUR COMMAND//

REF/A/DOC/BUPERSINST 1710.22 SERIES/INSTRUCTION DATE//

AMPN/REF A IS NFC PROGRAM INSTRUCTION//

NAME OF POC AT CLUB/POSITION TITLE/CODE/PHONE NUMBER//

RMKS/1. UIC of host activity; name of flying club.
2. Date, time (local), day or night, environment (significant weather, etc.).

3. Location of mishap.

4. Aircraft make, model, aircraft bureau number, FAA registration number.
5. Description of damage and estimated cost to repair.
6. Pilot at controls grade or rank, age, membership eligibility status and degree of injury.
7. Pilot at controls total time; total time in type or model; time in last 90/60/30 days; date last standardization flight check; FAA certificates held; and ratings.
8. Other certified pilots that had access to the flight controls (provide same information as in paragraph 7).
9. Identification of other crewmembers or passengers; eligibility status; and degree of injury for each.
10. Type of flight (local, cross-country, training, etc.); flight clearance data; time of takeoff; destination; and duration of flight. (If on extended cross-country, list itinerary for flight, i.e., departure and arrival time for each leg).
11. Phase of operation (start, taxi, takeoff, cruise, decent, approach, landing, touch-and-go, etc.).
12. Mishap narrative (a concise chronological description of facts and circumstances leading to the occurrence).
13. Findings. List sequentially the events and conditions material to the mishap and identify one or more causes. State if environment was considered a factor.
14. Recommendations. Indicate preventive action taken, planned, or recommended. Indicate if the NFC Instruction (BUPERSINST 1710.22) should be amended to prevent future incidents of this type and if so, what that recommendation would be.
15. Other damage or injury.
16. Additional information.

BUPERSINST 1710.22
5 Jun 01

a. Disposition of wreckage.

b. Date the NTSB or FAA was notified; office location; case number; and point of contact if known.

17. Reporting or investigating officer's name, grade, and telephone number.

BUPERSINST 1710.22
5 Jun 01

APPENDIX G
NFC UNUSUAL OCCURRENCE REPORT
SAMPLE MESSAGE

1. General. Learning through the experiences of others is an invaluable and vital tool in identifying and eliminating potential hazards before they result in mishaps. This report is to be submitted within 30 days. Omit items that do not apply or are not relevant to the mishap.

2. Content and Format: (Precedence - Routine)

a. All material underlined in the format below will be repeated verbatim in the text of the report, except mishap associated reports.

b. If any information required by the format of the report is obviously not appropriate, enter "NA" in the space for information.

c. The extent of the information provided in a report may vary considerably depending on the circumstances attendant to the unusual occurrence. If extensive information is required to explain a hazard/support conclusions or recommended corrective action, a report might contain several pages; however, a "simple and well defined" report might well be submitted in a one or two page format.

FROM: ADMINISTERING ACTIVITY FOR THE FLYING CLUB
TO: COMNAVSAFECEN NORFOLK VA//10//

INFO: CNO WASHINGTON DC//N78//
NAVPERSCOM MILLINGTON TN//PERS-65//
ALL NFC ACTIVITIES (Optional)

UNCLAS FOUO

THIS IS A MISHAP REPORT TO BE USED ONLY FOR SAFETY PURPOSES PER
BUPERSINST 1710.22

SUBJ: NFC UNUSUAL OCCURRENCE REPORT (REPORT SYMBOL BUPERS 1710-22)

REF/A/BUPERSINST 1710.22

1. Summary. Succinctly summarize the contents of the report in two lines or less.

2. Data (Same as appendix F)

a. Aircraft: Aircraft type, make, and model.

b. Pilot: (1) total time (private and military); (2) total time in type or model of aircraft involved; (3) time in all types or models of aircraft flown during the last 30, 60, 90 days listed by type; (4) date of last standardization flight check; (5) FAA ratings held; (6) military status; (7) membership eligibility status.

c. Copilot: (if applicable): (1) total time (private and military); (2) total time in type or model of aircraft involved; (3) FAA ratings held; (4) military status; (5) membership eligibility status.

d. Other Passengers (if applicable): (1) total number; (2) membership eligibility.

e. Mission (if applicable): (1) type of flight; (2) flight clearance data; (3) phase of operations; (4) duration of flight.

f. Environment: (1) date; (2) local time; (3) local time zone; (4) day or night; (5) location; (6) altitude AGL or MSL (specify which); (7) weather; (8) other background information needed to understand the remainder of the report.

g. Technical Information:

(1) For material failure, malfunction or design deficiency, include adequate nomenclature.

(2) Life support equipment used or not used.

3. Narrative Description. A concise, chronological description of facts, and circumstances leading to the occurrence and explain exactly how the hazard could result in damage and/or injury.

4. Corrective Action. Describe corrective action taken or recommended corrective action to eliminate the hazard; or if it

BUPERSINST 1710.22
5 Jun 01

is beyond the capability of the originator to formulate recommendation, so state.

5. Remarks. Contents of this paragraph are at the discretion of the originator.

6. Point of Contact (POC). List the rank/rate, name, title, DSN and/or commercial number of an individual designated to answer inquiries about the report. (COMNAVSAFECEN (Code 10) will become POC if Safety Center becomes originator to CAD).

7. Commanding Officer's Comments. (optional)