



# Post Social Quarters Business Best Practices

Instructor (s): Paul Brown

2025 DEPARTMENT OF FLORIDA

# FALL CONFERENCE

- Programs vs Operations
- Regulations/Rules
- Ways To Lose Money
- Ways To Prevent Loss
- Calculating Pour Cost
- Ordering Best Practices
- Questions??

## What We Will Cover Today



# What is the Difference?

## Where Do You Place Your Social Quarters?

# Programs vs Operations



shutterstock.com · 85263427

Programs are maintained by  
the post to support the  
community without the need  
to be profitable

**EXAMPLES**

American Legion Baseball  
Boy's State  
Putting Flags on Veteran Gravestones  
Scholarships  
Oratorical Contest  
Homeless Veteran Services  
Wreaths Across America  
JROTC/Sea Cadets

**Programs  
vs  
Operations**



Operations are maintained  
by the post to support the post  
with either the need to be  
profitable or....

**EXAMPLES**

Membership  
Lounge  
Restaurant  
Gaming  
Hall Rentals  
Cell Phone Tower  
Parking Lot Rentals  
Other Revenue Streams

**Programs  
vs  
Operations**



...they are mandatory to post  
function.

**EXAMPLES**

Utilities  
Regulatory Licenses  
Insurance  
Equipment Maintenance  
Property Maintenance  
Building Maintenance  
Member Communication

# Programs vs Operations



# What Happens When We Do Not Follow Them?

## Rules & Regulations



# What Happens When We Do Not Follow Them?

Loss of License  
Prohibition of Ability to Provide Service  
Exposure to Felony/Misdemeanor Arrest  
Exposure to Civil Litigation

## Rules & Regulations



# Federal Issues

## Internal Revenue Service

Federal Tax Exempt Status

501 C(19) vs. 501 c(3)

- Determines which SALES are taxable by IRS
  - Sales are typically payments for:
    - Products (Food/Alcohol)
    - Services
  - Donations are not sales
- Must file a Form 990 annually
  - Which 990 form depends on revenue

## Rules & Regulations



## State Issues

### Alcohol License

- Most posts operate under an 11C License  
(Lodges and Other Club License for Beer, Wine, and Liquor Consumption on Premises)
- A few operate under an 11AL License  
(Only Posts chartered prior to September 16, 1919 qualify)
- Does not allow posts to sell alcohol “To-Go”
- Must get alcohol from licensed distributor
- CANNOT BUY FROM LICENSED VENDORS  
(Florida Statute 561.14)

### Sun Biz

- FL State Portal for required annual filings

## Rules & Regulations



## State Issues

### Alcohol Handling Certificates

- Post  
(RAV) Responsible Alcohol Vendor Certification
  - Not Mandated for 11 C Licenses
  - Still a good practice
- Bartender/Server  
(RVP) Responsible Alcohol Vendor Program
  - Not Mandated
  - Still a good Practice

## Rules & Regulations



## State Issues

### Food Handling Certificate

- Post

Food Manager Certification (DPBR)

- At least one per establishment
- Must be present if four or more workers

- Kitchen Worker/Server

Food Handler Certification (DPBR)

- Mandated

### Department of Health

- Inspections of Post-Type Organizations

## Rules & Regulations



## County/City Issues

Consult your local governance for regulations related to the operations/use of your American Legion post

## Rules & Regulations



## Most Common Ways

## Ways to Lose Money (aside from theft)



## Most Common Ways

- 1) Open at the Wrong Times
- 2) Overpouring
- 3) Undercharging

## Ways to Lose Money (aside from theft)



www.shutterstock.com - 114914407

## Open at the Wrong Times

- Busy lounges have less issues
- Volunteer/Paid Bartenders
- Keep lounge hours updated

## Ways to Lose Money (aside from theft)



# Overpouring

- Use jiggers for portion control  
Especially with new bartenders
- Spout Limiters  
Not recommended  
Gets rusty/gummed up  
Encourages additional pour
- Train new bartenders  
How to pour beer  
How to make a mixed drink
- Have acrylic wine samples

## Ways to Prevent Loss



## Undercharging

- Calculate prices based on cost

Goals in mainstream restaurants/bars

- Bar Sales Product (Pour) Cost Ratio  
Total costs less than 24% of total sales
- Food Sales Product Cost Ratio  
Total costs less than 35% of total sales

Goals in VSO restaurants/bars

- Bar Sales Product (Pour Cost) Ratio  
Total costs should be **30-40%** of sales
- Food Sales Product Cost Ratio  
Total costs should be **40-50%** of sales

- Calculate by individual product
- Evaluate collectively

## Ways to Prevent Loss



# Undercharging

- Develop a formula for pricing  
Eliminates bar price discussions

Recognize the difference in product types

- “Well” drinks will have a much lower Pour Cost  
15%
- Wine will have a much higher pour cost  
65%
- “Call” drinks should all conform to same formula
- Keg beer has lower pour cost than bottled beer
- Use portion handout to calculate  
pour cost and develop formulas

## Ways to Prevent Loss



## Evaluating Product Cost

Include all supply costs

- Alcohol
- Mixes (including soda)
- Promotional Snacks
- Drink Garnishes
- Napkins
- Glassware

**If it gets replaced, count it in your total cost**

Calculate your Product Cost every month

- Include last 3-6 months to get accurate #'s

## Ways to Prevent Loss



Only order by case if used in a 3-month period

- Case discounts are great
- Ties up funds with no immediate turn around
- Uses up precious space

Post purchaser should not be Post payor

- Allows for additional fiduciary oversight
- Increases communication among post operator

Invoices received must follow a process

- Avoid leaving invoices loose on back bar
- At minimum, have an envelope kept in drawer

Have informed bartenders scheduled on delivery days

# Ordering Best Practices





shutterstock.com · 178160879

## Questions?

Paul Brown  
(805) 550-1661  
pmbmother@msn.com



**Please leave feedback.**