Gaming Policy Enforcement Branch

Community Service Organization – Frequently Asked Questions

This document is intended to provide clarity and resources surrounding questions most commonly received from Community Service Organizations (CSOs).

All applicants are strongly encouraged to review the Licensed Charitable Gaming Rules (the Rules) in their entirety to ensure they understand all eligibility and application criteria.

Click here to view the Rules.

Q1: Is my group or organization considered a CSO?

CSOs are defined as structured groups whose main purpose is to raise funds on behalf of other eligible community organizations on an on-going basis. Examples of CSOs include, but are not limited to Legions, Rotaries, Elks, Shriners, etc.

Q2: How do I know if the organization I'd like to donate to is eligible? Is there a list?

There is no list of eligible organizations to refer to, eligibility of recipient organizations must be confirmed by the CSO.

CSOs may apply for a gaming event licence to generate funds for donation to recipient organizations that have been deemed eligible by the Gaming Policy Enforcement Branch (GPEB) before disbursement. Requests to confirm eligibility should be submitted to gaming.licensing@gov.bc.ca including the organization's name and a GPEB issued Licensing & Grants (L&G) file number, if available.

CSO's may also generate funds for donation towards scholarships and bursaries where a scholarship/bursary program is offered by an eligible organization whose board determines the selection criteria and award procedure.

One-time donations are permitted to an individual or family within the CSO's community, only when the donation will provide emergency assistance or relieve an exceptional condition or circumstance, such as the recent loss of their home and/or belongings. One-time donation to individuals or families are to be made at the discretion of the CSO's board and do not require GPEB approval.

Q2: Can CSO's use gaming funds for their own programs?

CSOs may retain gaming funds as an eligible use of proceeds where a CSO runs a program that is directly delivered by the CSO to the broader community and where the program has been deemed eligible by GPEB after undergoing an eligibility review. Luncheons, social events, and services benefitting solely the membership are not considered programs.

Q3: Can CSO's retain any of the net proceeds from the gaming event for themselves?

A CSO may retain <u>up to 15% of the net proceeds generated from each licensed gaming event</u> to be used towards administration fees. This ensures an appropriate portion of net proceeds are used for a charitable purpose as required by the Criminal Code.

Administration fees are defined as operational and maintenance costs for CSOs that are typically not covered by the use of proceeds listed on an application.

Examples of eligible administration fees may include, but are not limited to:

- General maintenance and upkeep of the building used to run the organization;
- Utilities;
- First aid kits;
- Point of sale machines; and
- Administrative supplies.

Q4: What types of expenses are considered eligible?

Actual and reasonable expenses <u>directly related to the conduct and management of a gaming</u> <u>event</u> must be paid from the organization's gaming account. Receipts documenting each expense must be retained as part of the gaming records for the gaming event for five years.

Permitted expenses for all licensed gaming events include, but are not limited to:

- Advertising and promotion costs;
- Wages and salaries of staff conducting the event;
- Equipment, such as bingo paper, cards, chips, table rentals, etc.
- Tickets, bingo paper and other printing costs;
- Postage/mailing costs;
- Rent for venue(s) used for the event. Where a gaming event occurs alongside another event, only a percentage of the total rent relative to the space used for the gaming event may be claimed as an expense;
- Contract fees for gaming services providers or accounting;
- Processing fee for a gaming event licence;
- Costs related to prizes;
- For Class A licences only, fees or commissions paid to ticket sellers (i.e. volunteers), which cannot exceed 10% of the price of each ticket sold; and
- Reimbursing volunteers for out-of-pocket expenses related to the gaming event (note: volunteers cannot be paid for their time committed to the event).

Where the anticipated gross revenue of a licence is **less than \$250,000**, expenses must not exceed 25% of the actual gross revenue of the ticket raffle, bingo, or poker.

Where the anticipated gross revenue of a licence is **\$250,000 or more**, there is no limit on the amount paid for expenses.

Q5: Can I partner with another organization to conduct a gaming event?

Partnerships between organizations may be considered if each partner has been determined by the General Manager to be an eligible organization that will use its net gaming proceeds for eligible purposes.

Only one of the partner organizations will be issued the gaming event licence and that organization retains full responsibility for the conduct and management of the gaming event.

A letter outlining the terms between all participating, eligible organizations must be submitted with the corresponding application. Partnerships must cover the entirety of a licence as opposed to specific event dates. This letter must include:

- Organization names;
- Licence period;
- How the organizations plan to divide the gaming funds; and
- Signatures of agreement by all parties.

Letters outlining the <u>partnership terms must be submitted in support of an application, prior to</u> <u>a licence being issued</u>, by emailing <u>gaming.licensing@gov.bc.ca.</u>

Q6: Are there other programs available to CSO's?

BC's <u>Community Gaming Grants program</u> in the Ministry of Municipal Affairs provides funds to eligible not-for-profit organizations that deliver programs to communities throughout BC. A Service Club, including Royal Canadian Legions, may be eligible for a Community Gaming Grant to administer a Community Donations Program if it meets all eligibility criteria outlined in the Community Gaming Grants 2022 Program Guidelines. There are limits to how much of this grant may cover administrative costs and interested individuals and groups should be encouraged to review the Community Gaming Grants information and eligibility requirements.

Resources:

Licensed Charitable Gaming Contact Info:

- Phone: (250) 387-5311 ext. 1
- Toll Free within Canada/USA: 1 (800) 663-7867 (ask to be transferred to 250-387-5311 and select option 1)
- Email: <u>Gaming.Licensing@gov.bc.ca</u>

Submitting an Application:

All applications must be submitted online using the <u>Online Service</u> link on the GPEB website. To assist, step-by-step application guides are available on the GPEB website at: <u>https://www2.gov.bc.ca/gov/content/sports-culture/gambling-fundraising/gambling-licence-fundraising/documents-forms</u>

Application Status:

To check the status of an application once submitted, please see the <u>Application Status Reports</u>.

Reporting:

Gaming Event Revenue Reports and Gaming Account Summary Reports must be submitted within the required time frames. At the discretion of GPEB, failure to submit the required reports may impact future licensing.

If for any reason an organization is unable to submit the required reports, they must email Licensed Charitable Gaming at <u>gaming.licensing@gov.bc.ca</u>

- Gaming Event Revenue Reports must be submitted within 90 days of the licence expiry, online using the Gaming Online Service at: <u>https://www.gaming.gov.bc.ca/licensing/reportListSearch.do</u>
- Gaming Account Summary Report within 90 days of their fiscal year end. A Gaming Account Summary Report PDF can be found on the GPEB website at: <u>https://www2.gov.bc.ca/assets/gov/sports-recreation-arts-and-</u> <u>culture/gambling/grants/form-acct-summary-rpt.pdf</u> GASRs may be submitted via email to gaming.licensing@gov.bc.ca