

Bingo Bulletin November/December 2001

Happy Holidays From The Charitable Bingo Division of the Texas Lottery Commission

All of us at the Charitable Bingo Division of the Texas Lottery Commission wish you and yours a happy holiday season and peace and happiness during the coming year. We have enjoyed working with you this year and look forward to helping make 2002 an outstanding year for charitable organizations in Texas!

2002 is a special year for Charitable Bingo in Texas – it marks the 20th year Anniversary of Charitable Bingo and charities making life better for Texans. We look forward to celebrating this important occasion with you.

Merry Christmas and Happy New Year!

**Wm L. Atkins
and
Management & Staff of the Charitable Bingo Division**

A Note On Charitable Distributions

Due to the recent tragic events of September 11th, the role and importance of charities and their work in our society has become more evident. The response of individuals and charities across the nation to the needs of those affected by this event is unprecedented and something for which this nation and its people can be proud.

We have received calls from licensed organizations wanting to know if charitable distributions can be made from bingo funds to assist those impacted by the September 11th terrorist attack. The Texas Constitutional Amendment authorizing Bingo (ART. III, SEC 47. Lotteries and Gift Enterprises; Bingo Games) requires that all proceeds from the games be spent in Texas. Section 2001.454(b)(1) & (2) of the Bingo Enabling Act requires that all charitable distributions benefit needy or deserving persons in this state or initiate, perform, or foster worthy public works in Texas or further the erection or maintenance of public structures in this state.

While we experience the same sense of loss as our neighbors, we have no authority to waive the requirement that bingo proceeds be spent in Texas. The Legislature directs how those funds are spent. We certainly applaud the efforts of everyone who reaches out in sympathy and contributes to the programs designed to assist the victims and their families.

Important Notice on 40% Limit on Card-minding Devices

Recent inspections of various Charitable Bingo halls throughout the state of Texas have disclosed a number of instances where halls were exceeding the 40% limit on card-minding devices.

Specifically, the Bingo Enabling Act. Chapter 2001, Occupations Code, §2001.409(b) states:

“Not more than 40 percent of the individuals attending a bingo occasion, based on the average of two previously submitted quarterly reports, may use electronic or mechanical card-minding devices.”

Violations of this provision of the Bingo Enabling Act may subject your license to disciplinary actions including, but not limited to, the revocation of your license or denial of your license or denial of your license application.

To avoid exceeding the 40% limit, calculate the average attendance from your organization's last two quarterly reports and multiply the result by 0.40. The resulting figure is the number of individuals allowed to utilize card-minding devices at your organization's bingo occasions.

The Charitable Bingo Division may seek appropriate enforcement action against any licensee found in violation of this provision.

If you have any questions or need any assistance, please do not hesitate to contact the Audit Services Section of the Charitable Bingo Division at 1-800-BINGO-77.

Operator Training Program Reminders

At all times, at least one of the persons designated (primary operator or operator) by each licensed authorized organization must be an individual who has completed the Operator Training Program.

For individuals required to complete Operator Training, each individual must complete the training as required by Charitable Bingo Administrative Rule 402.550(e). After September 1, 2001, at least one of the persons designated under Occupations Code Section 2001.102(b)(10) must have completed the training within 24 months prior to the date of expiration of the license. It is important that you compare the expiration date on the conductor's license to the two-year expiration date of the designated individual's last attendance at the Operator Training Program. *Tip* - check the expiration date on the printed license to the date that appears on the certificate of attendance issued to the designated individual who attended the Operator Training Program.

A person may complete training for one licensed authorized organization only.

Each licensed authorized organization must maintain for a period of four years the Certification of Completion in its records.

An organization that fails to have the primary operator or an operator attend Operator Training Programs as required will be subject to disciplinary action.

Schedules of upcoming Operator Training Programs are available on our website at www.txbingo.org and you can register online. If you don't have access to the Internet you can obtain information about scheduled Operator Training Programs and/or register for a program by calling 800-246-4677.

Bingo Advisory Committee Nominations

The Bingo Advisory Committee (BAC) Nomination forms will be mailed in December 2001. If you, or someone you know, is qualified to serve on this committee and is interested, please fill out the nomination form and return it by February 28, 2002. Nominations and all supplemental information should be returned to the address listed on the nomination form.

The main purpose of the BAC is to advise the Commission on the needs and problems of the state's Charitable Bingo industry. The BAC is composed of nine individuals. One must be a member of the general public; three must be conductors operating Charitable Bingo games; one must be a conductor lessor; two must be commercial lessors; one must be a distributor or manufacturer; and the ninth must be a System Service Provider.

The nomination form may also be obtained at our website www.txbingo.org.

If you have questions or need a nomination form please contact us by mail, e-mail, fax or telephone. Refer to page 4 of this document for ways to contact us.

What You Told Us About The Value Of The Operator Training Program

Since the inception of the Operator Training Programs over 2,417 individuals have attended training programs across the state. Of those responding to the survey question "Do you think the Operator Training Program was worthwhile?" 96% thought the program was worthwhile.

Individuals Listed On Your Organization's Bingo Record

Please keep information on individuals who are on your organization bingo record current as required by Charitable Bingo Administrative Rule 402.545(g). We frequently receive applications that are signed by individuals as officers of an organization who are not on the organization's bingo record as an officer. When you receive the renewal application, check it carefully and delete the names of any individuals who are no longer directors, officers, operators or workers. Use the *Additional Individuals Sheet* that comes with the renewal application to add new directors, officers, operators or workers.

If your organization holds a conductor license and has a change in directors, officers, operators and workers or if your organization holds a lessor license and has had a change in partners, directors, officers, shareholders or business contacts outside the renewal period you should do the following:

- ◆ Submit a *Texas Supplement To Bingo License (Conductor)* or *Texas Supplement to Bingo License (Lessor)* to add individuals to the bingo record or change their position titles.
- ◆ If individuals need to be deleted from the record, submit a letter, signed by an officer, deleting individuals from any positions on the organization's bingo record that no longer apply to them. The letter should include the name and taxpayer number of the organization.

If you are changing the primary operator outside the renewal period, you must submit a *Texas Application to Amend a License to Conduct Charitable Bingo*.

If you have questions about the names or the individuals on your organization's bingo record, please contact us and we will be happy to assist you. Refer to page 4 of this document for ways to contact us.

Remember: It is the organization's responsibility to promptly notify the Charitable Bingo Division of changes in licensing information as required by Charitable Bingo Administrative Rule 402.545(g).

Bingo Operator Pleads Guilty to Aggregated Theft

Ricardo Cortinas, operator for the Boys and Girls Club of Del Rio, pleaded guilty to seven counts of aggregated theft on October 16, 2001. Cortinas stole funds from the organization's bingo operation from December 1999 to October 2000.

Cortinas' sentence includes the following: four years of community supervision, fined \$1,000 and ordered to pay court and supervision costs, required to report to his Community Supervision and Corrections Officer twice a month, required to remain in Val Verde County unless given permission to depart by the Community Supervision and Corrections Officer in charge of his case, be finger printed and photographed for identification by the Val Verde County Sheriff's Department, observe a curfew and be in his home between 10:00 p.m. and 6:00 a.m. unless he received permission otherwise in writing by his Community Supervision and Corrections Officer, submit to testing for use of controlled substances, perform 300 hours of community service, and make restitution to the Boys and Girls Club of Del Rio in the amount of \$14,195.

How To Contact Us

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