



Charitable Chatter

Department of Charitable Gaming

Volume 4, Issue 1

American Legion Post 7, ORG000005

Always looking to feature organizations benefiting from charitable gaming in Kentucky, I was directed toward the American Legion Post 7 in Frankfort. Dave Nalley was contacted regarding charitable gaming at the American Legion Post.

Nalley advised he is the bingo chairperson for Post 7 and is a retired Army veteran and member of the post. Nalley indicated he has been involved with charitable gaming sessions for approximately 3 1/2 years. According to Nalley, the post currently has approximately 500 members and conducts bingo sessions on Friday nights and Sunday afternoons which are usually well attended. They also have a daily pull tab license, which is active Monday through Sunday.

Nalley stated the main mission of American Legion Post 7 is to help veterans and the local community, and 70-75 percent of the funds raised by the post to meet its mission are generated by charitable gaming. During the last year some of the activities supported by charitable gaming proceeds are as follows:

- Sent over 100 boxes of sundry items to veterans overseas.
- Sponsored the Franklin County ROTC chapter by holding parties and dances for the young men and women who are the next generation of veterans.
- Donated funds to the three regional high schools in Franklin County. One example was a \$1000 donation given to one of the schools for Project Graduation, which was the main source of funding for the project.
- Support of the post's Ladies Auxiliary. Charitable gaming funds were used by the Ladies Auxiliary last year to hold parties across the state for service members and their families who were being deployed overseas.
- In cooperation with several local businesses, the post provided gifts at Christmas to children in need.
- The post donated time and funds to the Stewart Home School in Frankfort to help children and adults with disabilities in the community.

The post also donates time and charitable gaming funds to the Thomas Hood Veterans Center in Wilmore, Ky. The members visit with the veterans at the center and play bingo and everyone wins a prize. Nalley stated Post 7 also helps veterans in need throughout the year with expenses such as paying medical bills, utility bills and other expenses as needs arise. He added if it was not for charitable gaming, the majority of the support given by Post 7 for veterans and the community would not exist.

Nalley added the American Legion Post 7 is an open post and invites the community to take part in the bingo sessions or visit the post to take part in all they offer. He stated their facility offers a smoke-free environment.

In closing, Nalley stated their organization has always had a great working relationship with the Department of Charitable Gaming (DCG) and strives every session to meet the standards set forth in the gaming statutes and regulations. Nalley was advised the Department of Charitable Gaming is here to assist whenever and wherever possible. DCG congratulates American Legion Post 7 in its endeavors to assist veterans of all branches of the military and serving the local community and wishes them much success in the future.

Bryant W. Smith, Director of Enforcement

Regulation, Application and Form Changes

NOTICE: The proposed changes to the charitable gaming regulations are effective as of **April 4, 2014**. The following is a list of the affected regulations and a brief overview of the changes:

820 KAR 1:001—Definitions

- Change definition of “Bingo Machine” to allow random generators.
- Change definition of “Called” to allow random generators and for balls to be otherwise continuously displayed rather than “placed out.”

820 KAR 1:005—Exempt Organizations

- Allows for electronic filing of the annual financial report.
- New application for exemption and annual financial report.

820 KAR 1:015—License for charitable organization

- New application form.
- Changed “session” to “gaming occasion” on what is required on a license application. The day and time for each gaming occasion, instead of session, must be listed.

820 KAR 1:016—Distributor and Manufacturer licenses

- New application forms.

820 KAR 1:025—Financial Reports for organizations

- Allows the reports to be filed electronically.
- New form.

820 KAR 1:026—Quarterly reports of gaming facility

- Allows reports to be filed electronically.
- New form.

820 KAR 1:027—Quarterly reports of distributor

- Allows reports to be filed electronically.
- New form.

820 KAR 1:029—Facility license

- New application form.

820 KAR 1:044—Bingo Equipment

- Clarified language requiring approval from the department and manufacturer to add or remove software to card-minding devices.
- Changed “dial up,” “modem” and the like to “internet.”

820 KAR 1:046—Bingo Rules of Play

- Instead of balls selected being “placed out” we changed to “displayed” as a result of incorporation of random generators.

820 KAR 1:055—Charity Fundraising Event standards

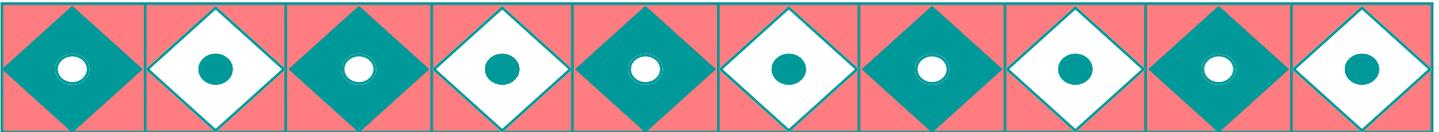
- New application form.

820 KAR 1:056—Special Limited Charity Fundraising Event standards

- New application form. (Same as 820 KAR 1:055).

Regulation, Application and Form Changes continued...

The Legislative Research Commission will have the updated regulations published on its website at <http://www.lrc.ky.gov/Law.htm> by the end of May. In the meantime, the updated forms and applications affected by the changes have been added to the Department of Charitable Gaming website under the “Resources” tab, “Applications and Reports.” **Please be advised that all license applications have been updated and all new and renewal applications filed from April 4, 2014 forward will need to be filed using the new applications. Applications and reports filed on the old forms will be accepted until June 1, 2014 but will be automatically rejected after that date.** Any questions regarding the updated regulations can be sent to Noelle Bailey at Noelle.Bailey@ky.gov or by calling the department.



CFE and SLCFE Licenses

NOTICE: As a reminder to all organizations applying for a Charity Fundraising Event (CFE) or Special Limited Charity Fundraising Event (SLCFE) license:

KRS 238.505(8) states, “‘Charity fundraising event’ means an activity of limited duration at which games of chance approved by the department are conducted, including bingo, raffles, charity game tickets, special limited charitable games, and wagering on prerecorded horse races, KRS Chapter 230 notwithstanding. Examples of such activities include **events that attract patrons for community, social, and entertainment purposes apart from charitable gaming**, such as fairs, festivals, carnivals, licensed charitable gaming organization conventions, and bazaars.”

KRS 238.505(18) states, “‘Special limited charity fundraising event’ means any type of **charity fundraising event**, commonly known as and operated as a ‘casino night,’ ‘Las Vegas night,’ or ‘Monte Carlo night,’ at which the predominant number or types of games offered for play are special limited charitable games.”

Please keep in mind when applying for a CFE or SLCFE license that the license application must include information regarding the event that is attracting patrons for community, social, and entertainment purposes **apart** from charitable gaming.

**1st Quarter 2014
Financial Reports must
be postmarked by
April 30!**

**Change requests are
due in the office at
least 30 days in
advance.**

**Complaints?
Please contact
Bob Sparrow
(800)729-5672, ext. 247**

132 Brighton Park Blvd.
Frankfort, KY 40601

Phone: 502-573-5528
Toll Free: 800-729-5672
Fax: 502-573-6625



Customer Service Contacts

If you have questions regarding charitable gaming, please feel free to contact a staff member listed below at (800)729-5672 or their email address.

Legal

Mark Posnansky, Staff Attorney
Mark.Posnansky@ky.gov

Noelle Bailey, General Counsel
Noelle.Bailey@ky.gov

Compliance

Bryant Smith, Acting Branch Manager
Bryant.Smith@ky.gov

Licensing

Tammy Downey, Branch Manager
TammyJ.Downey@ky.gov

Accounting

Stephanie Ledford, Fiscal Officer
Stephanie.Ledford@ky.gov

Congratulations!

We would like to announce that our new director of the Division of Enforcement is **Bryant Smith**. Bryant has been with the Department of Charitable Gaming since 2004, serving as the investigative branch manager. Smith joined the department after his retirement from the Baltimore County, Maryland Police Department. He is also currently serving as acting compliance branch manager.

Amanda Mitchell has joined the Department of Charitable Gaming as an administrative assistant. Amanda covers the front office area and is the sweet voice you hear when you call or visit our office in Frankfort. She comes from the Department for Families and Children and is quickly becoming a valuable asset to our office.

The Enforcement Division would like to announce **Walter Hammons** has joined the Audit Branch as an auditor II. Walter had previously worked for the Department of Revenue before retiring in 2008 after 27 years of service and recently served as an auditor II for the Office of Inspector General for Shared Services in Frankfort where he had worked since 2009. Walter's background in the audit field coupled with him being a CPA will greatly enhance the staff of qualified professionals at the Department of Charitable Gaming.

Our department's fiscal officer, **Stephanie Ledford**, has transferred over to the Enforcement Division. This move will not affect Stephanie's duties or responsibilities, but is intended to enhance our efficiency.

Helpful Hints and Tips!

- Sending in documents by fax, email or regular mail only needs to be done one time. All electronic communication is considered original. We do not need the original mailed after it's been emailed or faxed.
- Please be sure we have the most up-to-date email address for your organization at all times. We prefer to have the email address of the CEO and/or CFO of the organization to ensure the proper people are receiving our communication.
- Please remember to file all applications and requests timely. Failure to do so may result in your organization not being permitted to game.
- Please remember to update all officers and/or chairpersons within 30 days of the change. Failure to do so will result in a violation.
- Please have your license number ready when contacting our office so we can efficiently direct you to whom you should speak with.