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Gaming Information
for Charitable Groups



GAIN

Gaming Information
for Charitable Groups

Leagues Alive

GAIN Session

November 18, 2017

Presentation Objectives

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Improve understanding of essential information related to:

- Use of Gaming Proceeds
 - Categories
 - Forms & Policy



All Gambling Is Illegal...

EXCEPT it is LAWFUL...

“...for a charitable or religious organization, pursuant to a licence issued by the Lieutenant Governor in Council of a province... **if the proceeds from the lottery scheme are used for a charitable or religious object or purpose.**”



Use of Gaming Proceeds

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Gaming Proceeds-are the total income from sales at gaming events less prizes and event level expenses.

Gaming revenue may only be spent on approved:

- Prizes (community bingo)
- Gaming event expenses (e.g. casino advisor fees, raffle advertising costs, volunteer expenses)
- Charitable or religious purposes



Gaming Information
for Charitable Groups

Obtaining Approval for Use of Proceeds

Request to Amend Use of Gaming Proceeds (Form 5506)

- Submitted in writing and signed by two current, elected executive members
- Requests must be as detailed as possible: e.g. provide details, explain benefit to participants, supply pictures, web sites, brochures etc.

Obtaining Approval for Use of Proceeds

Current Use of Proceeds List:

- Can be obtained if a group has an Internet Account with AGLC (except for raffles with a total ticket value \$10,000 and less) or by an executive member contacting AGLC
- Contains approved/rejected uses of proceeds

Note: approval to use gaming proceeds must be obtained prior to spending any proceeds.

Current Use of Proceeds List



Choices Albertans can trust.

Current Use of Proceeds List

Print Date: 2016/01/15

Alberta Charitable Organization (123456)

APPROVED USE OF PROCEEDS	EFFECTIVE	EXPIRED	MAXIMUM
ADMINISTRATIVE COSTS – MAXIMUM 10% OFFICE RENT, OFFICE SUPPLIES, PRINTING, PHOTOCOPYING, NEWSLETTER, WEB SITE, INSURANCE	2014/01/21	2100/12/31	
AWARDS/TROPHIES/PLAQUES AWARDS MUST BE BASED ON ACHIEVEMENT NOT FOR VOLUNTEER APPRECIATION. NO CASH AWARDS	2014/01/21	2100/12/31	
DONATIONS WITHIN AB \$50,000 OR LESS-AGLC LICENCED ORGANIZATION AS PER GUIDELINE SHEET	2015/11/03	2100/12/31	
EQUIPMENT TV, MICROPHONE & SPEAKERS, STEREO EQUIPMENT, BALLS, PYLONS, SPORTS EQUIPMENT	2015/09/18	2100/12/31	
FACILITY/EQUIPMENT (Facility Related Only) 100% HALL, RINK, FACILITY IMPROVEMENTS, JANITORIAL IN ORDER TO CONTINUE TO USE GAMING PROCEEDS FOR A FACILITY, A COPY OF THE CERTIFICATE OR TITLE OR LEASE AGREEMENT MUST BE SUBMITTED	2015/09/01	2017/09/01	
RENT - FACILITY ICE RENTAL	2013/07/24	2100/12/31	
REJECTED USE OF PROCEEDS	EFFECTIVE	EXPIRED	MAXIMUM
DONATIONS WITHIN ALBERTA IN EXCESS OF \$50,000 IF THE DONATION EXCEEDS \$50,000, A STATUTORY DECLARATION FORM #5503 AND A RECIPIENT AGREEMENT FORM #5627 MUST ALSO BE ATTACHED.	2015/11/03	2100/12/31	
SPECIAL PROGRAM SUPPORT/DEVELOPMENT EXPANSION OF CURLING CLUB - PROVIDE COMPLETE DETAILS PRIOR TO APPROVAL	2015/07/25	2100/12/31	
TRAVEL – OUT OF PROVINCE FOR TRAVEL OUT OF PROVINCE, TRAVEL ITINERARY FORMS MUST BE SUBMITTED	2015/07/25	2100/12/31	
WAGES, SALARIES, FEES FOR SERVICE, AND HONORARIUMS FOR POSITIONS NOT CURRENTLY APPROVED, WAGE/SALARY FORMS MUST BE SUBMITTED	2014/02/10	2100/12/31	

Example

See reverse for detailed descriptions of each use of proceeds
Page 1 of 2

Use of Proceeds Descriptions

Administrative Costs – Maximum 10 %

Administrative costs that are necessary to the delivery of a charitable or religious program or service are eligible uses of gaming proceeds. Approved administrative expenditures shall normally be limited to a maximum cumulative total of 10% of gaming proceeds earned the previous calendar year. Administrative costs that are eligible for approval include: telephone, stationery, postage, bulletins, newsletters, website costs (internet service provider), which communicate information to the public about the group's community service programs, space rental for regular membership meetings and storage, office rent, and director's liability insurance. Administrative costs related to the internal administrative activities of the group are not eligible uses of gaming proceeds.

Awards/Trophies/Plaques

No cash awards. Awards must be based on achievement not for volunteer appreciation.

Donations within Alberta of \$50,000 or less

Groups may make a total annual donation up to \$50,000 to an eligible individual charity or religious group within Alberta without prior approval if the recipient is an organization licensed and in good standing with the AGLC. The recipient must deposit donations of charitable gaming proceeds in a gaming bank account and used in accordance with currently approved use of proceeds. The Donor must retain a completed Recipient Agreement (C&SR/GAM 5527). See attached guidelines.

Donations within Alberta over \$50,000-AGLC Licensed Organization

Donations exceeding \$50,000 annually may be made to any eligible individual charity or religious group within Alberta that is an AGLC-licensed group with prior AGLC approval. Submission of the following forms are required for prior approval: completed Recipient Agreement (C&SR/GAM 5527) and completed Statutory Declaration (C&SR/GAM 5503).

Equipment

Gaming proceeds may be used to purchase or rent equipment that is essential to the delivery of the group's charitable services or programs. Ownership of the equipment must remain the property of the organization. Equipment or supplies that are used in any activity or operation which is intended to produce income cannot be purchased with gaming proceeds.

Facility

Groups that provide a public facility may use gaming proceeds for the capital, leasehold, rental, and operating costs of the facility. Includes: fixtures and furnishings, mortgage, lease or rental payments, utilities, insurance (fire and liability), property taxes, janitorial costs and supplies, repairs and maintenance, and renovations. See attached guidelines.

Rent - Facility

Renting a facility including ice rental, sports fields, and stages for performing arts groups.

Special Program Support/Development

Specific details to be provided prior to approval for unique programs pertaining to the organization's program delivery.

Travel – Out of Province

Travel itinerary forms must be submitted for approval prior to the event. The travel must be required for the group to deliver its programs in Alberta and be either a normal part of the group's activities or an earned opportunity to go to a higher level of activity. See attached Travel Itinerary form and guidelines.

Wage, Salaries, Fees for Service and Honorariums

Gaming proceeds may be used to pay salaries, wages, fees for service, or honorariums only if the duties performed are essential to the group's program delivery, the duties are performed by a person with specialized qualifications and the duties cannot be reasonably performed by a volunteer. (This does not include officials and judges). See attached Wage/Salary form.

Page 2 of 2

Confidential

Key Message

1. Get Approval Before You Spend

- Put the detailed request in writing
- Make sure the request is signed by two current executive members
- Be aware of the results of not obtaining approval



Key Message

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2. Submit All Required Documentation

- Documentation varies depending on the request
- Documentation may include forms and attachments



Key Message

3. Keep the AGLC Informed

Please notify the AGLC in writing of any changes to:

- Executive;
- Objectives;
- By-laws;
- Use of proceeds
- Facility agreements



[Handout: aglc.ca](http://aglc.ca)

- *List of Elected Executive (5471)*
- *Internet Account Request (5536)*

USE of PROCEEDS CATEGORIES

DONATIONS	TRAVEL	WAGE-SALARY	FACILITY	EQUIPMENT	SENIORS ACTIVITIES
\$400		\$400	\$400	\$400	\$400
\$800		\$800	\$800	\$800	\$800
\$1200	\$1200	\$1200	\$1200	\$1200	\$1200
\$1600	\$1600	\$1600	\$1600	\$1600	\$1600
\$2000	\$2000	\$2000	\$2000	\$2000	\$2000

Questions: Use Of Proceeds

Forms



- *Request to Amend Use of Proceeds (5506)*
- *Request to Use Proceeds to Pay Wages/Salaries (5442)*
- *Travel Itinerary (outside Alberta 5443)*
- *Request to Donate Proceeds Outside of Alberta but within Canada (5502)*
- *Request to Donate Proceeds Outside of Canada (5484)*
- *Statutory Declaration (5503)*
- *Recipient Agreement – to Non-AGLC Licensed Organizations (5507)*
- *Recipient Agreement – to AGLC Licensed Groups (5627)*
- *Event Worksheet (5626)*

Disbursement of Gaming Proceeds/Retention

Gaming proceeds must be used within 24 months of receipt in your gaming account.

Extension Procedure:

- Submit a business plan for approval
- Include a written request with signatures
- Form **5506 – Section 2**

Information required:

- Date of extension
- Reason for extension
- Amount of money required
- Timeline of anticipated disbursement (mm/yy)



Administrative Costs

Expires 2100/12/31

Maximum of 10% of proceeds earned per licence.

(Form 5506 – Section 1)

May be Eligible :

- Telephone, stationery, postage, office supplies
- Internet service provider
- Bulletins/Newsletters
- Renting space for regular meetings
- Liability insurance for board of directors

Not Eligible:

- Salaries for administrative duties
- Transferring money into general account
- Food and beverages
- Legal fees etc.

Wages/Salaries/Fee for Service

May be eligible if the duties performed:

- Are essential to program delivery and performed by a qualified person
- Cannot be performed by a volunteer
- Are not for administrative positions

Requires submission of:

- Form **5442**
- Job description (includes percentage breakdown of duties)
- List of qualifications

NOTE: Currently approved wages/salaries no longer require further approvals for changes to the following:

- **Individual being paid**
- **Rate of pay**
- **Term of position**

General & Executive members cannot be paid for positions necessary for the delivery of the group's program from any account

Sports Information

- Gaming Proceeds may be used to support eligible sports groups.
- Adult sports groups with a youth component must use at least 50% of its gaming proceeds on its youth programs.
- Travel is for competition days only (see guideline sheet **5443-1**)



Adult groups: ages 22 – 59
Youth groups: up to age 21
Seniors' groups: age 60 and up
Persons with Disabilities groups: any age

Youth Development Programs

- Types of programs such as youth sports, leadership, citizenship and community development skills may be eligible.
- A minimum of 75% of membership or participants are 21 years of age or younger.
- Programs are reasonably available to all youth in the community who qualify and wish to participate.
- Form **5506 – Section 2** and specific details are required.



Facility/Equip (Facility Related Only) 100%

May be Eligible:

- Facility costs of providing a public facility:
 - fixtures, furnishings, mortgage, lease or rent, utilities (excluding telephone- this is an Admin 10% cost), fire and liability insurance, property taxes, janitorial costs and supplies, repairs and maintenance, renovations, and improvements.
 - Form **5506 – Section 2**

Not Eligible:

- Income producing purposes (purchase, maintenance or repair of equipment, furniture or facility).



Equipment-Program Related

Expires 2100/12/31

May be Eligible:

- Purchase/rent equipment essential to the delivery of programs or services
- Ownership remains with the licensed group
- Form **5506 – Section 1**

Not Eligible:

- Personal, social or promotional items
- Equipment or supplies for a commercial operation
- Equipment for personal/administrative use



Cost Recovery

5.26 - 2 of the CGPH

Cost-recovery means the disbursement of gaming proceeds to pay for program costs is limited to the amount not covered by program revenues



Special Program Support/Development- Community Events

Prior written approval is needed:

- Type of event
- Location, date, time and duration of event
- Open to public or members only
- How program is advertised
- What expenses to be paid from gaming account
- Form **5506 – Section 2**
- **Event Worksheet (form 5626)** if a fee is charged (**cost-recovery basis only**)



Special Program Support/Development- Community Garden Programs

Expires 2100/12/31

May be Eligible (form 5506 – Section 2)

- Gardening materials/equipment
- Seeds and bedding plants
- Irrigation system
- Rental/purchase of land/green house
- Utilities
- Education programs

Not Eligible

- Flower beds
- Beautification type projects



Community gardens that grow vegetables or fruit to promote food sustainability.

Use of Proceeds Summary

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- Obtain approval before spending gaming proceeds
- Must have proceeds in a gaming account to pay for approved expenses
- Spending flexibility may be increased through non-gaming revenue
- Be accountable for gaming proceeds
- Keep good records (cancelled cheques, bank statements, invoices, receipts, raffle and pull ticket records etc.)

Choices Albertans can trust.

Q What can we help you find today?

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Gaming

Gaming in Alberta is regulated by the provincial government. Revenue received from gaming activities is returned to Albertans.

[Gaming Legislation and Policies](#)

In This Section

About gaming in Alberta

Information about Alberta's gaming model, including AGLC's role and where proceeds go.

Charitable gaming

This is an overview of charitable gaming in Alberta. Charitable gaming includes casino, bingo, and pull ticket events.

Casinos & racing entertainment centres (REC)

Find a casino, Casino and REC operator information, training for casino staff

Bingo halls

Licensing requirements for new or existing bingo facilities, or an existing facility wanting to expand or move.

Gaming registrations

Information for individuals and companies that want to work in Alberta's gaming industry and must be registered by the AGLC.

Gaming legislation & policies

Policies governing gaming activities in Alberta help maintain the integrity and security of gaming and maximize the financial return to charities.

Responsible gaming

At the AGLC, our goal is to encourage patrons to use gambling as a form of entertainment rather than a way to make money.

[Gaming Licence Applications, Forms and GAIN Program](#)

The image displays two screenshots of the GAIN website. The left screenshot shows the 'Questions about Charitable Gaming?' page, featuring a navigation menu (Home, About, Courses, Help), a 'Sign In / Sign Up' button, and a photo of a man and a woman. The right screenshot shows the 'Getting Started' page, which includes sections for 'Volunteer Requirements', 'Did You Know That?' (with bullet points about cheating and intoxicated persons), and links to 'GAIN Manual - Bingo and Minors' and 'GAIN Manual - Raffles and Minors'. Both screenshots include copyright information for the Alberta Gaming and Liquor Commission and mention that the website was developed by Base Corp Learning Systems.

- Same content as the facilitated sessions
- Access through the internet at your convenience
- Registration requires an email address and your organization's AGLC ID number

AGLC Contacts and Resources

AGLC Contact Information:

AGLC Main Reception: Phone: **780-447-8600**
AGLC Toll Free: Phone: **1-800-272-8876**
Ask for **Financial Review**
Ask for **Audit Services**

Charitable Gaming: Phone: **1-855-506-1066**

Use of Proceeds:	Press 2	Email: gaming.useofproceeds@aglc.ca
Eligibility:	Press 3	Email: licensingeligibility@aglc.ca
Raffle:	Press 4	Email: gaming.licensing@aglc.ca
Bingo/Pull Ticket:	Press 5	Email: gaming.licensing@aglc.ca
Casino:	Press 6	Email: gaming.licensing@aglc.ca

GAIN Program: Phone: **1-866-307-7499** Email: gain@aglc.ca

Questions ?

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