



NO ONE DOES MORE FOR VETERANS.



DEPARTMENT OF OHIO POST BINGO GUIDE

Why is all Charitable Gaming Called Bingo in Ohio?

It wasn't because the Ohio Attorney General lacked imagination, it was mainly because of the way lawmakers wrote the Gaming Law for Non-Profits and Fraternal Organizations so all Gaming fell under "Bingo" regulations & guidance.

Charitable Bingo Overview

In Ohio, charitable organizations may be eligible to conduct bingo as a fundraising tool. Bingo is a highly regulated activity in this state. In order to conduct bingo, a group must be considered a "charitable organization" and be issued a license from the Ohio Attorney General's Charitable Law Section.

In Ohio, there are three types of bingo:

Traditional bingo (aka Bingo I)

Instant bingo (aka Bingo II & III)

Electronic instant bingo (aka E-Bingo III)

Bingo license applications, amendments and renewals must be submitted online via the [Charitable Account Management Portal](#). For detailed instructions regarding bingo applications, see *How to Complete a Bingo License Application* in the Publications area at the bottom of this page.

A license fee will be assessed at the time of submission. Members of the Charitable Law Section are available to assist with any questions about conducting bingo and the online application process. Call 800-282-0515 or email CharitableBingo@OhioAGO.gov for assistance.

Traditional Bingo

Also known as Bingo I – Played on Bingo Cards or Sheets or can also be a Computer Electronic Representation or Image Formats



Paper Instant Bingo

Also known as Bingo II & Bingo III– Uses folded or banded tickets or paper cards with perforated break-open tabs, a face on which is covered or otherwise hidden from view to conceal a number, letter or symbol, or set of numbers, letters or symbols, some of which have been designed in advance as prize winners.

- Bingo II tickets are played with Bingo I Sessions only and can only be licensed with your Bingo I license.
- Bingo III tickets are played in your Canteen and are on a sperate Bingo III license.



←
Bingo III tickets

Bingo II tickets



LIGHTNING BETTY BOOP

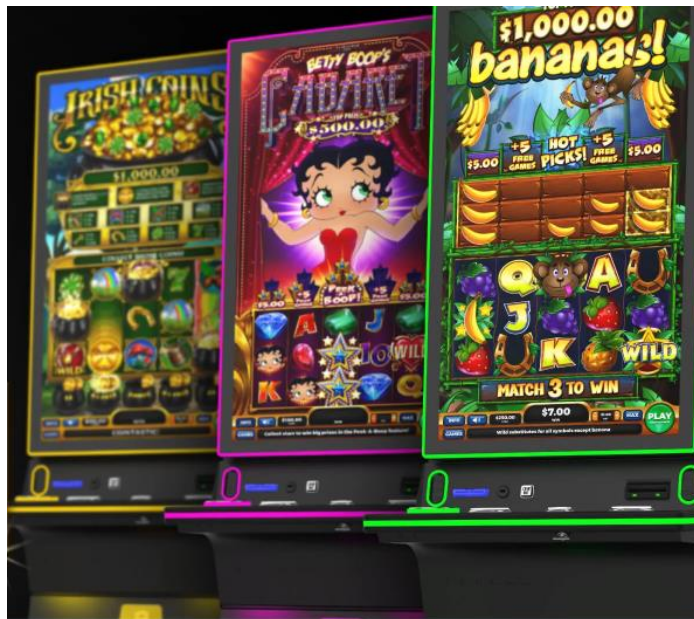


RACEHORSE DERBY



Electronic Instant Bingo

Also known as E-Bingo III – A form of Bingo that consists of an Electronic or Digital Representation of Instant Bingo in which a participant wins a Prize if the participant's electronic instant Bingo Ticket contains a combination of numbers or symbols that was designated in advance as a winning combination.





Raffles

Drawing a ticket setup or other detachable section from a receptacle containing ticket stubs or detachable sections corresponding to all tickets sold.

License is not required

- ✓ Only permitted for Tax Exempt Organizations
- ✓ Companies and individuals cannot conduct raffles even for benefit of a charitable cause; the Charitable Organization must run the raffle.
- ✓ 50% of the profits must be distributed to a charitable purpose or government entity – this includes 50/50 raffles (suggest giving Post's 50% of raffle to the Post Relief Fund or can be used for Post Charitable Projects such as Children's Christmas Party)





Licensing Information

- **Bingo Type I License – Allows non-profits & fraternal organizations to conduct up to three (3) Bingo Sessions in any Seven-Day period for no more than five (5) continuous hours. Sessions cannot start before 10am and must be over prior to 2am.**
- **Bingo Type II License – Purchased with your Bingo I License and played during Type I Session and can be played two (2) hours prior and for not more than two (2) hours after Traditional Bingo Session.**
- **If your Bingo I & II session is conducted in the same room as your Bingo III and E-Bingo III Machines you can NOT play those games during the Bingo I Session, they can be played two hours (2) prior to the start time and two hours (2) after the session (i.e. Bar Bingo). If they are located in separate rooms then they can be played at the same time (i.e. played in a rental hall within your building).**
- **Bingo & E-Bingo Type III License – Allows Veteran organizations to conduct Type III & E-III Bingo seven (7) days a week, up to twelve (12) hours during the day, providing the sale does not begin earlier than 10am and no later than 2am. Bingo III tickets can not be sold at Bingo I Sessions.**



NO ONE DOES MORE FOR VETERANS.

How the Heck Do I Get a Bingo License For My Post ??



Must Have for Initial Application & Renewals

1. IRS Tax-Exempt Determination Letter
2. One Year of Meeting Minutes
3. Proof of Continuous Existence and Charitable Programing (Secretary of State of Ohio Document)
4. Articles of Incorporation & Bylaws
5. Fundraising Contract(s) Make sure you have your Charities EIN.
6. Your Post must be in Good Standing with the VFW Department of Ohio (Green on Dashboard)
7. For Renewals you will need all Ticket Tracker information to fill in figures for application from previous year.

****Must be submitted by a member of the Post, do not allow an outside organization submit the license for your Post.**



How the heck do I get a Bingo License For My Post ??

Applications for Charitable Gaming Licenses must be done on-line at the Attorney General's Charitable Account Management Portal (**YES, THAT'S RIGHT, I SAID "MUST BE DONE ON-LINE"**) or by calling their office to get set up for Portal Access:

Ask for Charitable Law Section Phone Number is: 800-282-0515

Online Portal is: <https://charitableportal.ohioago.gov>

**** Before calling, make sure you have your EIN on hand, they will ask for it.**





How much moolah is the Bingo License Going to set my Post back??

- **Current Licensing Fees Are:**
- **\$500 if total Gross Profit sales less than \$50,000**
- **\$1,250 plus .25% of Gross Profit if the total is more than \$50,000 but less than \$250,001**
- **\$2,250 plus .50% of Gross Profit if the total is more than \$250,000 but less than \$500,001**
- **\$3,500 plus 1% of Gross Profit if the total is more than \$500,000 but less than \$1,000,001**
- **\$5,000 plus 1% of Gross Profit if the total is more than \$1,000,001.**





Can I Change My Bingo License?

Of course you can!

It is simple just login to the <http://charitableportal.ohio.gov> Bingo Portal.

Place the Amendment through the Portal and submit your changes to your License that are needed.

**** Make sure you save all your changes and resign, then print new document.**

You can also call the Attorney General's Charitable Law Office for assistance at 800-282-0515.

You can only make two (2) amendments of days and times specified on the license during one (1) calendar year.





What are we as a VFW Post responsible for when Operating Electronic Bingo?

First off get smart on the laws and regulations in place by the Ohio Attorney General's Office. Make someone in your Post the Subject Matter Expert (SME) on knowing the changes and regulations governing E-Bingo III.

As a Veteran's Organization we can only obtain E-Bingo supplies and equipment from a licensed and endorsed Electronic Instant Bingo Distributor.

Understand your organizational fiduciary responsibilities.

Some of those fiduciary duties are:

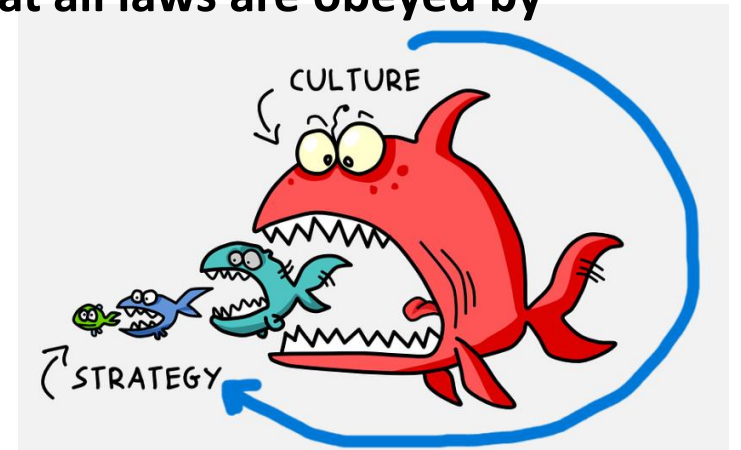
- Duty of care – Being involved in the organization's activities and understanding the charitable gaming mission.
- Duty of Loyalty – Need to acknowledge that the interest of the charity and its work must be the top priority.
- Develop and follow a conflict of interest policy to avoid transactions that unfairly enrich the charity's leaders and the organization.





What are we as a VFW Post responsible for when Operating Electronic Bingo?

- Posts have a duty to manage accounts – An organization must be fiscally responsible. Members must track budget data and establish and monitor internal controls.
- Posts have a duty of compliance – Organizations have important legal obligations. Members must ensure that their Post follows registration requirements and tax provisions.
- Post must develop a comprehensive culture and strategy for management of gaming operations within their Posts. Ensuring that written policy is in place and that all laws are obeyed by employees and Post officers in charge of gaming funds.





What Are We As a VFW Post Responsible For When Operating Electronic Bingo?

AN ORGANIZATION MUST:

- ✓ Conduct Bingo ONLY at the location, days and times referenced on the licensed.
- ✓ Not conduct Bingo (Type I, II, III) on any day, time or premises not indicated on the license.
- ✓ Not allow a person under 18 years old to be a volunteer or play Bingo.
- ✓ Not allow a person who has been convicted of a felony or gambling offense to be a Bingo Game Operator.
- ✓ Not allow a person who is a Bingo game operator to receive tips or commissions for conducting games.
- ✓ Bingo game operators cannot play instant Bingo (I,II,III). ****Operators include bartenders, canteen managers, Quartermasters and anyone who dispenses tickets or handles funds from Bingo gaming.**
- ✓ Post must display the Bingo License where Bingo Games are conducted.
- ✓ Purchase all supplies & equipment from a licensed Distributor.



**OBEY THE
RULES!**

E-BINGO - RULES, RULES, & MORE RULES!

- ❖ **Assets associated with operating E-Bingo system must be safeguarded.**
- ❖ **Financial records must be accurate and reliable.**
- ❖ **A separate cash register and safe/segregated lock box inside safe for all E-Bingo Monies.**
- ❖ **Access to cash register and safe are limited to E-Bingo game operators listed on the application.**
- ❖ **A log must be maintained for access to each device with the date and reason for access and initials of person Opening device.**
- ❖ **A ticket voucher is only valid for 24 hours of the end of the Bingo Session which it was won.**
- ❖ **The internal control procedures must be in writing and are required to be submitted with annual reports.**





Required Positions for Bingo Licensing

PAPER & ELECTRONIC:

- Principle Person of the Charitable Organization
- Custodian of Bingo Records
- Primary Bingo Game Operator
- Electronic Instant Bingo Operator
- All Board Members/Trustees and a list of all Bingo “Volunteers” (usually your bartenders or anyone who sells tickets at Bingo Sessions or in the Canteen)

PAPER ONLY:

- Principle Person of the Charitable Organization
- Custodian of Bingo Records
- Primary Bingo Game Operator
- All Board Members/Trustees and a list of all Bingo “Volunteers” (usually your bartenders or anyone who sells tickets at Bingo Sessions or in the Canteen)

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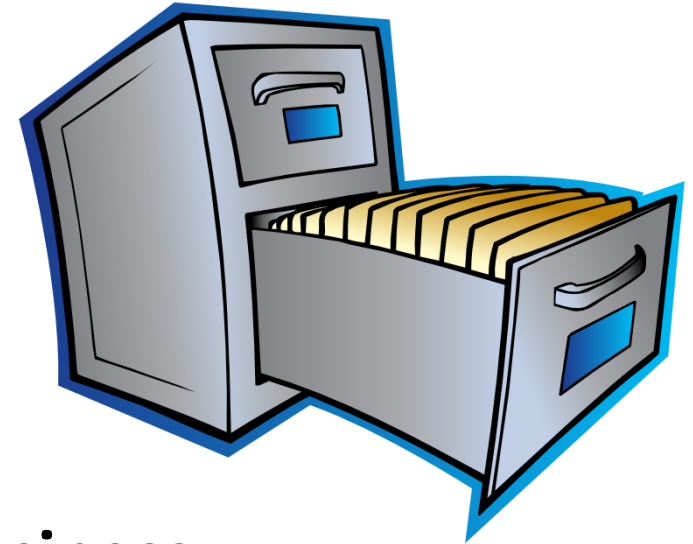


Position Description for Bingo Licensing

- **Principle Person of the Charitable Organization – Person with overall responsibility of the organization’s charitable activities, usually the Quartermaster.**
- **Custodian of Bingo Records – Maintains all Bingo Records for organization**
- **Primary Bingo Game Operator – Persons handling cash, or with key access or bank account access.**
- **Electronic Instant Bingo Operator – Person(s) who sells or redeems Electronic Instant Tickets, gifts or vouches, or who assesses an electronic instant Bingo system or Electronic or Instant Bingo Funds.**
- **Officers/Directors/and Trustees – Post Officers/Trustees listed in Bylaws book duties under Section 218. Board of Directors if applicable are under Post Bylaws for their Charitable Organization.**



Bingo Records



- ✓ **Keep all Bingo records for three (3) years.**
- ✓ **Maintain records at the principle place of business.**
- ✓ **Monthly and End of Year Inventory on November 1st**



Bingo Bank Accounts



You must have a separate account for each Bingo type you operate!

- Bingo Type I – Traditional Bingo Account * **Now Optional**
- Bingo Type II – Funds from Instant Bingo Tickets of Type II and your Type I can be a combined account. Payment of your VFWOC or to your Charity 25% will be paid from your Bingo Type II account. You can also purchase all Bingo I & II supplies and equipment from the Bingo II account if a combined account.
- Bingo Type III – (Paper Canteen Tickets) Need to have a separate account for Type III Canteen Tickets, you will pay your 25% VFWOC or Charity from this account.
- Electronic Bingo Type III – (E-Bingo III) Need to have a separate account for E-Bingo III, you will pay your 25% VFWOC or Charity from this account.
- All bank statements and cancelled checks must be retained from these accounts as part of required record keeping.



Bingo Account Rules

- **E-Bingo Proceeds must be deposited if in excess of \$2,000 over the start-up bank.**
- **At the end of the month, all excess monies over the start-up cash must be deposited.**
- **ACH Transactions to Vendor payments must come from the Post, the Vendor cannot initiate the ACH payments out of the Post account.**



What are the Allowable Bingo Expenses that can be Deducted to Calculate Net Profit?

- First you must pay these items out of your Bingo Account in order for them to be deductible.
1. The purchase or lease of Bingo supplies (i.e. cost of tickets/merchandise, instant ticket dispensers).
 2. The previous annual Bingo License Fee.
 3. Bank Fees and service charges for Bingo Sessions or Game Account.
 4. Payment of Real Property Taxes and Assessments on a premise on which Bingo is conducted.
 5. Purchase or update of Instant Ticket Tacker Program.
 6. Taxes paid on tickets or E-Bingo. (Taxes are usually included in your purchase price from the vendor, example on E-Bingo Invoices the Vendor breaks out Operator (Post) Split, then has Vendor Payment Plus + Tax. Post pays Vendor Invoice with Tax included, then subtracts Vendor Invoices (Tax included) from NET Income for the month then multiply by 25% for Charity Payment.





E-Bingo Calculated Net Profit

➤ Ok explain this Tax deduction on E-Bingo to me again?

1. Taxes paid on E-Bingo. (Taxes are usually included in your purchase price from the vendor, example on E-Bingo Invoices the Vendor breaks out Operator (Post) Split, then has Vendor Payment Plus + Tax. Post pays Vendor Invoice with Tax included, then subtracts Vendor Invoices (Tax included) from NET Income for the month then multiply by 25% for Charity Payment.

Simplified Example: Gross E-Bingo Income For Month:	\$230,100.00
Redeemed Prizes E-Bingo for Month:	- \$205,000.00

Income from E-Bingo for Month:	\$ 25,100.00
Vendor Invoices + Tax Paid for Month:	- \$ 3,100.00

Net Income from E-Bingo:	\$ 22,000.00
25% Owed Charity (Net X 25%):	- \$ 5,500.00

This is VFW Post 75% for General Fund:	\$ 16,500.00





Instant Ticket Dispensers

- These are considered “Bingo Supplies” and must be leased or purchased from a licensed Bingo Distributor.
- No Exclusive contracts – You can put more than one Distributor’s tickets in your dispenser.
- If you lease or purchase a Dispenser you may deduct the monthly payment expense from your split as part of the 75/25. Example; if your payment for the dispenser is \$400 per month and your net profit for ticket sales is \$2,000, then you can deduct \$400 from \$2,000 = \$1,600 then multiply by 25% = \$400 you would owe VFWOC or your Charity and the Post’s 75% would be \$1,200.





What is Paid by the Operators 75% or out of the General Fund?

➤ The Operator (Post) incurs expenses that must be paid from their 75% profit or General Funds account, they include:

1. Audits and accounting services.
2. Safes and cash registers.
3. Advertising Bingo.
4. Security Personnel.
5. Tables & Chairs.
6. Expense for maintaining and operating the organization's Bingo Facilities, including but not limited to, a Post Home, Canteen, and any grounds attached.



** In most cases these expenses are able to be written off as expenses on your 990 tax return at the end of the year.



Good Things to Know

- ✓ Defaced, tampered with, or counterfeited vouchers should not be accepted.
- ✓ Vouchers issued at another site or issued prior to the Bingo Session at which it is presented should not be accepted.
- ✓ Do not modify the assembly or operational function of an E-Bingo Device

HOW MANY E-BINGO DEVICES CAN A POST HAVE ON THEIR SITE?

- ✓ A Post can have Ten (10) E-Bingo Devices.
- ✓ A combination of Handheld and Console Systems.
- ✓ Point of Sale System does not count.

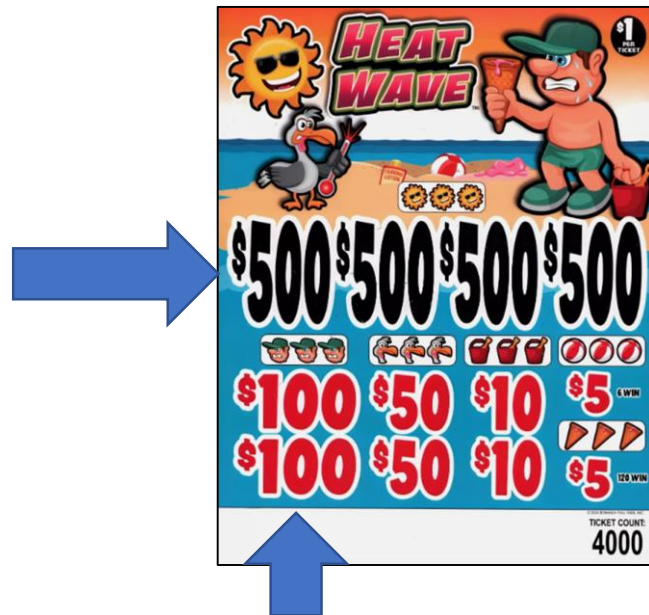




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Good Things to Know

- ✓ Do not sell Instant Bingo Ticket II and III or allow individuals under the age of 18 years old to play E-Bingo III Machines. It is prohibited by law.
- ✓ Instant Ticket must Bingo II & III must be sold for the price printed on the ticket.
- ✓ You must sell the top two tiers of winning tickets in each bag or box listed on Ticket Flare Card.



HEAT WAVE		\$1	NO. 31765
4000 COUNT	PRICE: \$1	TAKES IN: \$	4000.00
INSTANT WINNERS:			
4 WINNERS	@ \$	500.00	\$ 2000.00
2 WINNERS	@ \$	100.00	\$ 200.00
2 WINNERS	@ \$	50.00	\$ 100.00
2 WINNERS	@ \$	10.00	\$ 20.00
6 WINNERS	@ \$	5.00	\$ 30.00
120 WINNERS	@ \$	5.00	\$ 600.00
	74%	TOTAL PAYOUT	\$ 2950.00
	26%	GROSS PROFIT	\$ 1050.00



Protect & Preserve Your Bingo Profits

- **Make sure you implement sound business & management practices, it's essential.**
- **Separation of duties.**
- **Deposit proceeds daily or no later than 3 days from the close of the Type II or III game.**



Protect & Preserve Your Bingo Profits

What Should Be Done If there is Suspicion of or the Post finds Theft of funds?

- File a police report.
- Open an Internal Investigation.
- Report it to the Department Headquarters if theft is from your Bingo I, II, III, E-III accounts.
- Report it to the VFWOC Office if theft is from your 5/3rd Charity Account.
- Review your Internal Controls.
- Department Headquarters or VFWOC will report any theft found to the Attorney General's Office.
- Contact number for Department Headquarters is 614-224-1838.
- Contact number for VFWOC Office is 614-222-1611.





What does your Organization have to Display?

The Following Must be Prominently Posted, Legible and Visible in Your Post

- ✓ **Organization Name and License**
- ✓ **Ohio Problem Gambling Helpline Number**
- ✓ **Statement that Illegal Gambling is Prohibited**
- ✓ **Statement that all Players must be Eighteen (18) or Older to Play Electronic Instant Bingo**
- ✓ **Statement that a Player May Play only one Electronic Instant Bingo Device at a Time.**
- ✓ **Any Materials or Information Directed to be Posted by the Attorney General's Office.**



How Do I report My Bingo Activity?

The Charitable Gaming Year is: November 1st through October 31st Each Year.

- Bingo activity is reported each year on the Financials Section on your Bingo Application.
- The Financials are part of the Bingo License Application and must be filed by December 31st each year.
- Bingo Activity is reported based on the Bingo Fiscal Year of November 1st through October 31st
- Bingo II & III Ticket data should be available from your Ticket Tracker document approved by the Attorney General's Office which if your Post has a Point of Sale System will be in the Reports Section.
- Bingo E-III data can be obtained through reporting systems from your vendor.
- Throughout the year the organization is responsible for making any updates to the Bingo Application by logging back onto the portal.
- The portal is <http://charitableportal.ohioago.gov>



Why Should We Keep Records?

- **Here's the first good reason – IT'S REQUIRED!**
- **Because it's your Fiduciary Duties.**
- **Assists with the completion of the Bingo Application.**
- **Will assist you in filing your required 990 tax form.**
- **Keeps your organized.**
- **Keeps your prepared for when the Attorney General or Department Headquarters, VFWOC conducts a site inspection.**
- **Assists in preventing Internal Theft.**





Electronic Instant Bingo Quarterly Reporting

File all Reports on the portal; <http://charitableportal.ohioago.gov>

- When you login you go to files section to upload current quarterly report
- Documents must be uploaded electronically.
- Emailed, faxed and mailed documents will not be accepted.
- Need to keep Point of Contact for Post email address updated
- Do not combine or compress documents/files.
- Review documents for accuracy

****NOTE: Use Chrome or Firefox browser on all of the Attorney General's Portals
– Other Browsers may not work.**





When Should the 990 Be Filed

The 990 should be filed with the Attorney General's Office after the close of each Fiscal year, at the same time as the Federal Return is required to be filed by the IRS – taking into account any applicable extension filing date of the Federal Filing Date.

The Organization should file no later than the 15th day of the fifth month that the organization's tax year has closed.



How to File the 990 on the Attorney General's Website

Step 1 – Use the following address to enter the Ohio Attorney General's Website:

<http://charitable.ohioago.gov>

Step 2 – At top of the page click on charity registration.

Step 3 – A login page will appear, create a new account if you do not have one. Recommend using the same password that you use to obtain the Bingo License.

Step 4 – It will take approximately 24 hours before you can use the account to enter information from your 990 if you are a new user.

Step 5 – The following fees apply depending on the Post's Assets.

Step 6 – When you file make certain that you have the Post's General Fund Account Number and Routing Number in order to pay the required filing fees.

Assets	Fees
Less than \$25,000	\$0
\$25,000 - \$100,000	\$50
\$100,000 - \$500,000	\$100
\$500,000 or More	\$200

❖ **Caution:**

There is a \$200 Late Fee if not filed on time.



Instant Bingo Charity Contracts

- **Your Post Must be in Good Standing with the VFW Department of Ohio and the Attorney General's Office.**
- **All Charity Contracts will be for one (1) year beginning on January 1st and expiring on December 31st of each year.**
- **Must be an Ohio 501c3 Charities Organization.**
- **All splits with Charitable Organization will be 75% to Organization and 25% to Charity. *Note: You can have multiple Charities you donate to, however it must add up to 25%.**
- **Contact VFWOC starting in October for contracts to be issued for November application season if you want VFWOC as your charity. 614-222-1611.**
- **VFW Department of Ohio does not issue Charity Contracts, our responsibilities end at the 75% funds to the organization, Charities organizational responsibility begins with issuing your Contract and the 25% you provide them.**