

SCHEDULE “C”

TOWN OF IQALUIT

LOTTERY GUIDELINES

SECTION I - GENERAL

1. **General:**

1. Lottery licenses shall not be issued to organizations to hold events outside the Town, with the exception of Raffle lotteries.

2. **Applications:**

1. Applications must be received and date stamped thirty (30) days prior to the first proposed event. In the case of Raffles, thirty (30) days prior to the date you wish to start **PRINTING** tickets.
2. An organization applying for a lottery license will be required to submit a completed application form approved by the Town.
3. In addition to this form, the following information must be provided:
 - i. the name of the bank and the account number exclusively used for lottery proceeds;
 - ii. an itemized list of how the profits from this lottery will be used (not a generalized statement);
 - iii. proof that the funds are needed, by producing its most recent financial statements, its budgetary estimates and any other relevant document.
 - iv. additional information as may be requested.

3. **Licenses:**

1. A license cannot be assigned or transferred.
2. The following must be posted in a conspicuous place in the premises designated for the conduct of the lottery:
 - i. the original lottery license;
 - ii. the house rules;
 - iii. any approved amendments to the license.

4. **Characteristics of Organization:**

1. To be eligible for lottery licensing, an organization must be:
 - i. registered for a charitable or religious organization under the **Income Tax Act**; or
 - ii. registered for a charitable or religious purpose under the **Societies Ordinance**; or
 - iii. any organization which performs services for the public good or welfare without profit and includes any organization designated by the Town.
2. The “Officials” of each organization shall not be involved in any other lottery organization, nor in running or organizing any other organizations lottery events.

5. **Use of Funds:**

1. Funds raised will be used only for the purpose stated and accepted on the lottery application.

6. **Supplies:**

1. **Bingo:**
 - i. bingo lottery supplies will not be purchased more than two months in advance, and will not be “stockpiled” or sold to any other organization;
 - ii. a strict inventory shall be kept at all times and amounts of supplies used at each bingo will be recorded.
2. **Raffles:**
 - i. proposed raffle tickets will be approved by the By-Law Officer or Designate as part of the application approval.

3. **Casino:**

- i. an inventory of supplies will be kept and produced upon request.

7. **Expenses:**

1. All expenses, except Hall Rental, for conducting and managing lotteries shall not exceed 10% gross revenue.

8. **Conduct:**

1. **All:**

- i. any cheating or other irregularity known or suspected, shall be reported immediately to the By-Law Officer;
- ii. the By-Law Officer may appoint inspectors;
- iii. lottery funds will not be accumulated for a specific project unless prior approval is obtained from the Town.

2. **Bingo:**

1. All staff shall sign an attendance register prior to commencing their duties.
2. Bingo workers shall not play bingo at any time during the event at which they are performing their duties relating to the bingo.
3. A bingo shall be conducted and managed in compliance with the terms and conditions on the lottery license. In addition the following procedures shall be followed:
 - i. the sale and management of all “**BONANZA**” (½ the house) cards shall be the responsibility of one individual (at each event);
 - ii. the lottery license and any “house rules” must be posted in a conspicuous place (including any amendments to the license);
 - iii. only the bingo caller may receive remuneration;
 - iv. no volunteer worker may play bingo at any time;
 - v. a list of staff will be recorded;
 - vi. attendance will be recorded at the door;
 - vii. cards and tickets shall be exchanged for cash only;
 - viii. cashing of cheques or extending credit is prohibited;
 - ix. there will be no “free” cards or “free” games;
 - x. cards or tickets shall not be sold outside the Town.
4. Only bingo games based on the following structure are eligible for a license:

- i. caller reads out a letter/number combination from a ball randomly selected from 75 “Ping Pong” type balls, each printed with a letter and number grouped as follows:

B	1 to 15
I	16 to 30
N	31 to 45
G	46 to 60
O	61 to 75

- ii. bingo balls shall be of equal weight and in good condition;
- iii. players shall use “cards” or sheets printed with one or more “cards”, each “card” to be laid out in five rows of five squares, with one letter from the word “bingo” over each vertical column, all squares containing a number as above, except for the “free” centre square;
- iv. all players shall indicate whether a letter/number combination called appears on the card by marking, or placing a marker upon the appropriate square.

5. Where there is a declared card (possible winner), the following sequence of events shall take place:

- i. no further numbers shall be called pending confirmation of a winner;
- ii. the bingo machine shall remain operational until the winner has been verified;
- iii. a checker shall take the declared card and place it in front of a neutral player and the checker shall then call back the numbers to the caller for the purpose of verifying the winner.

6. Upon verification of the bingo winner, the caller shall ask for any other bingo winners for the game to identify themselves and shall indicate it is the last call;

and

7. If no further bingo winners are declared or determined, the caller shall return the bingo balls to the bingo machine and state clearly that the game is closed.

8. Receipts will be issued for prize money paid out.

3. **Nevada:**

1. No worker shall purchase any nevada ticket(s) while acting as a vendor
2. Only two staff shall sell nevada tickets at any given time.

3. Nevada tickets are to be sold from a stationary spot (booth/table).
4. **Raffles:**
 1. All tickets sold are to be collected before any prize winner is drawn.
 2. Raffle licenses will be issued for single draws only, unless special permission is obtained.
5. **Casino:**
 1. Only the games, number of tables and bet limits on the license shall be played.
9. **House Rules:**
 1. The license shall establish “rules of play”, not inconsistent with the terms and conditions of the license, which shall contain:
 - i. Pay off structure for all games/prizes;
 - ii. Sequence games shall be played (bingo);
 - iii. requirements for a bingo to be valid;
 - iv. admission price or cost of cards;
 - v. price of extra cards and bonanzas;
 - vi. procedures for verifying a winner;
 - vii. time at which play starts or draw is made;
 - viii. the method of distributing cards.
10. **Accounting:**
 1. The licensee shall have a bank account set up strictly for the purpose of lottery monies.
 2. Revenues from each event should be deposited the next banking day. In the case of Raffles, a weekly deposit of ticket sales money must be made.
 3. All monies withdrawn from this account shall be in the form of cheques and the purpose of the withdrawal must be noted.
 4. Expenses, for conducting and managing lotteries shall not exceed 10% of gross revenue.

5. **THIRTY DAYS AFTER A SINGLE EVENT (OR MONTHLY IF SERIES BINGO)** the licensee shall provide:

i. **Bingo:**

- a) a fully completed statement of account form as approved by the Town;
- b) the dates of all bingos;
- c) the attendance of each bingo;
- d) the amount of bingo supplies used (each bingo);
- e) a list of staff (and helpers) at each bingo;
- f) the total amount deposited (with slip);
- g) the most recent bank statement of account;
- h) a copy of prize money receipts, list of winners and amounts won;
- i) a list of disbursement to charitable or religious purposes as indicated on the application including names and address of payees;
- j) a licensee may be required to provide other financial information as requested by the Town.

ii. **Nevada:**

- a) a fully completed statement of account form as approved by the Town;
- b) a list of the sales persons and dates of sale;
- c) the total amount of deposit with slip.

iii. **Raffles:**

- a) a fully completed statement of account form approved by the Town;
- b) a list of salespersons and number of tickets each sold;
- c) total amount of deposit with slip.

iv. **Casinos:**

- a) a statement of account form approved by the Town, including only gross as prize pay-out are not known;
- b) a list of workers/dealers, etc.

11. **Penalties:**

1. The By-Law Officer may suspend or cancel any license without notice and at any time for the breach of any terms and conditions.
2. Every person who violates or fails to comply with any terms and conditions of a lottery license issued by the By-Law officer is guilty of an offense under the Lottery By-Law and is liable under summary conviction to a fine, etc.

SECTION II - EDUCATIONAL TRAVEL

1. General:

1. Educational groups within or affiliated with institutions or schools, such as classrooms, school clubs or societies, student unions, parent-teacher associations, may qualify for a license to conduct a lottery scheme.
2. Lottery proceeds can be raised for educational travel only for “full-time” students.
3. Lottery proceeds raised for educational travel are to be used:
 - i. to provide a specific educational experience for the students which is not principally recreational or social in nature and which otherwise would be unavailable;
 - ii. to expose students to other lifestyles and/or cultures, present and past.
4. The revenue from lotteries is in no way used to supplement any aspect of the operational or capital budgets of the institution or school.

2. Application:

1. An application for a lottery license to raise funds for educational travel must be accompanied by the following information in addition to the Lottery Application Form approved by the Town:
 - i. a complete itinerary of the trip (this is to be as detailed as possible);
 - ii. the travel route and mode of transportation;
 - iii. names, addresses and age of each student;
 - iv. names, addresses and position of each adult (chaperon or teacher);
 - v. amount (if any) of individual contribution.

3. Accounting/Expenses:

1. Within 30 days of the lottery event a statement of account form must be submitted.
2. Within 30 days of the “educational trip” a travel report must be submitted. The travel report will include all expenses with receipts.
3. Expenses allowed for educational travel include:*

- i. cost of actual travel (air fare, bus fare, van rental/gas, etc.);
 - ii. cost of hotel (based on double occupancy).
4. Lottery proceeds cannot be used for social or recreational activities that may be incidental to the activity or event.

* *(For class members and one adult per 5 children (under 12 years of age), one adult per 8 children (12 to 17 years of age), one adult per 16 adult students).*

SECTION III - LOTTERY EXPENSES

1. Administrative expenses will not exceed 10% of the gross revenue for any one event.
2. Generally accepted lottery expenses are the costs of:
 1. Prizes;
 2. Hall rental (not for Nevada);
 3. Advertising (this includes posters, radio ads, etc.);
 4. Equipment rental;
 5. Bingo caller;
 6. Supplies (bingo paper, Nevada tickets, playing cards for casinos);
 7. Freight of supplies;
 8. License fees;
 9. Postage.
3. Some unacceptable expenses are, for example:
 1. Ticket sellers; Prize for the "most tickets sold";
 2. Prize for a contest;
 3. (King/Queen);
 4. Float;
 5. Concession stand.

SECTION IV - USE OF LOTTERY PROCEEDS

1. Lottery proceeds are to be used specifically for the charitable or religious purpose stated on your approved lottery application.
2. If proceeds are raised as contributions to other charitable or religious groups be sure to record and provide:

1. the name of the charitable or religious group;
2. the chairperson or head of fund-raising and phone number;
3. the amount contributed, with a receipt;
4. the purpose for the contribution (specific -- i.e. new wheelchair, or general, all purpose fund).

SECTION V - HOLDING A RAFFLE

1. When planning to hold a Raffle as a fund-raising event be sure to get prepared early.
2. Your completed application form along with a sample “draft” ticket and the lottery licensing fee must be received thirty (30) days before you plan to begin selling tickets.
3. Once your application has been approved and your tickets are printed you may start selling tickets.
4. Remember to indicate on your application form how many tickets must be sold before your draw can “break even”. If sufficient tickets are not sold certain choices must be made:

1. Go ahead with the draw, taking into account the loss of revenue that will have to be covered by the members of your organization:

OR

2. Cancel the draw by:
 - i. Giving refunds to all those who purchased tickets;
 - ii. Placing an ad in the newspaper and putting a notice on the radio;
 - iii. All papers and tickets must be kept for one year.

OR

3. Amend the draw date:
 - i. if you know (at least) one week before the draw date that you have not sold the amount of tickets you had hoped you can obtain an amendment to change the draw date.
 - ii. the draw date can only be postponed once, not later than six (6) months from the day the first ticket was sold.

SECTION VI - ADVERTISING

1. Only the organization or association who holds the lottery may advertise a lottery event.

2. All advertising for lottery licenses will state the following:
 1. The name of the organization;
 2. The location, date and time of event;
 3. The number of games to be played (bingo);
 4. The number and amount of prizes to be awarded, including door prize if any;
 5. The price of admission, or tickets;
 6. The maximum number of tickets to be sold (raffle);
 7. The charitable purpose for which the event is being held;
 8. The lottery license number.

SECTION VII - TEAM TRAVEL

1. **General:**

1. Lottery proceeds raised for team travel are to be used:
 - i. Primarily to travel within the NWT (invitational).
 - ii. To travel to Canadian National Championships, as the NWT Representative.
2. The travel must be directly related to the organization's charitable objective with the intention of fulfilling that objective and be either:
 - i. an essential part of the organization's normal ongoing activities; or
 - ii. an extraordinary opportunity gained as a result of qualifying to advance to a superior level of competitive activity.

2. **Application:**

1. An application for a lottery license to raise funds for team travel must be accompanied by the following information in addition to the Lottery Application Form approved by the Town:
 - i. a brief description of the activity or event;
 - ii. the destination;
 - iii. the duration of trip;
 - iv. names, addresses and position of each player;
 - v. names, addresses and position of each adult (i.e. coach);
 - vi. amount, (if any) of individual contributions

3. **Accounting/Expenses:**

1. Within 30 days of the lottery event a statement of account form must be submitted.

2. Within 30 days of the “team trip” a travel report must be submitted. The travel report will include all expenses with receipts.
3. Expenses allowed for team travel include:*
 - i. cost of actual travel (air fare, bus fare, van rental/gas, etc.).
 - ii. cost of hotel (based on double occupancy) for the night before and each night of the tournament --- under special circumstances an additional night may be approved;
 - iii. cost of registration for tournament.
4. Lottery proceeds cannot be used for social or recreational activities that may be incidental to the activity or event.

***(For team members and two adults (Coaches or chaperons)).**

SECTION VIII - SELLING NEVADA “PULL TICKETS”

1. A license to sell Nevada type “pull tickets” can be obtained only in conjunction with a Bingo or Casino license, in a “club room”, or other activities as approved by the Town by Resolution.
2. A “club room” is an owned premises where regular members meet. Members must be registered and must pay a yearly fee.
3. Club room tickets can be sold to members and their “signed in” guests only.
4. No person may purchase Nevada tickets while acting as a Vendor.
5. No person is to be compensated in any way for selling Nevada tickets.
6. The 10% “administration fee” is not to be used to pay a seller. This fee is for the cost of tickets, license fee, etc.
7. Winning Nevada tickets are to be crossed with an “X” and saved, bundled by date of event.
 - i. These tickets are to be kept for one year.
8. Only two persons shall sell Nevada tickets at any one time during the event.
9. A second or third unit of Nevada tickets should not be opened unless you are quite certain the whole unit will be sold. It is very time consuming to do the financial statements with an open unit as all tickets will have to be “broken open”.

END OF LOTTERY GUIDELINES