



# CHARITABLE GAMING REVIEW

GROUP 1 PRESENTATION

APRIL 27, 2021



## PRIORITIZED PRINCIPLES THAT GUIDED OUR DISCUSSIONS

- 1) Consistency
- 2) Effectiveness
- 3) Efficiency
- 4) Equity/Fairness
  - a) When you create consistency, effectiveness, & efficiency... you will gain equity & fairness
- 5) Transparency
- 6) Accountability
  - a) Transparency creates accountability
- 7) Flexibility

# CHARITABLE GAMING CHALLENGES & NONPROFIT ORGANIZATIONS' NEEDS

- Unincorporated organizations' access to AGLC funding
- Rural organizations are at a disadvantage
  - Need to define rural; establish criteria
- Too many rules
  - Confusing
  - Inconsistency in how they are applied (i.e. definition/application of rule varies from person to person/department to department, etc.)
- Outdated processes & procedures
  - administratively burdensome for some organizations
  - need more online options for all levels (i.e. reporting, application, inquiries, etc.) without leaving those with tech access issues behind
- Barriers exist for cultural groups, small community groups, etc.

# CHARITABLE GAMING CHALLENGES & NONPROFIT ORGANIZATIONS' NEEDS

- Definition of 'community/public benefit' is unclear (regarding eligibility)
- Volunteer Requirements
  - The requirement of volunteers to be members of the organization creates challenges
  - Ensuring safety of volunteers who need to travel long distances
  - Need funds to better support and steward volunteers
  - Need informal/pool of volunteers
- Need greater efficiency for Use of Proceeds
  - option to defer more revenue (i.e. save for a large project)
  - Utilize more funds for 'matching' Grant applications
  - longer timelines

# COMMUNITY BENEFIT

## WHAT ARE THE PROBLEMS CREATED BY THE CURRENT DEFINITION?

- Open to interpretation which leads to frustration and inconsistent applications, and eligibility approvals/denials
- Cultural definition of community benefit is not acknowledged ('broad-based' community benefit currently required undervalues cultural-focus organizations)

## HOW DO WE PROPOSE THIS PROBLEM BE ADDRESS?

- Create a panel that includes stakeholders and AGLC staff to refine definition
- Review language to create a consistent application for understanding and interpreting Community Benefit.

# PROPOSED OUTCOMES FOR CHARITABLE GAMING

- Maximum benefit to Albertans and their communities
- Consistent, objective, and equitable application across all eligible charitable and religious organizations

# PROPOSED IMPROVEMENTS TO ELIGIBILITY

## PROPOSED IMPROVEMENT

## RATIONALE

1) Take a series of recommendations from this process to advocate for changes to federal law

Beyond the ability of organizations to make necessary changes; Laws are outdated (1892)

2) PlayAlberta.ca has impacted the gaming model. A % should be put into the pool for eligible organizations.

Participation & resulting profits of live events will be negatively impacted as online games become more popular. This will be more noticeable for rural groups.

# PROPOSED IMPROVEMENTS TO ELIGIBILITY

## PROPOSED IMPROVEMENT

## RATIONALE

3) Review the four criteria to determine eligibility (relief of poverty, advancement of education, advancement of religion, community benefit)

They are narrow and antiquated.  
Not applied consistently.  
Who determines what community benefit is?

## NON-CONSENSUS

Why would we rock the boat on eligibility?

The system has tried to become all things to all people which has provided greater benefit to diverse groups but has created a lot of inconsistency.



# PROPOSED IMPROVEMENTS TO ELIGIBILITY

## PROPOSED IMPROVEMENT

## RATIONALE

4) Athletics should be included in Advancement of Education.

Unlike Performing Arts groups, who are allowed to 'charge' (earn money) by performing... athletes are not due to Academic rules not charitable gaming rules.

5) Organizations with a mandate that focuses on young adults should be eligible for funding.

Currently, only on programs/services for minors or seniors are eligible. Young adults/students have limited income. Programs & services need to be affordable.

Your child is covered by AHC until 21.

Your health plan covers full time students until the age of 25.

# PROPOSED IMPROVEMENTS TO ELIGIBILITY

## PROPOSED IMPROVEMENT

## RATIONALE

6) Review eligibility of existing organizations? Create a 'cap' on the number of organizations that are eligible.

Proceeds will continue to shrink as more organizations receive eligibility if some system or check isn't established.

## NON-CONSENSUS

Too big for this process.

Creating a cap would eliminate eligible organizations from participating.

Organizations could lose funding and no longer be able to continue their operations.

Who's deciding on the 'cap'? Does that mean eligibility is limited to a certain number of years?

# PROPOSED IMPROVEMENTS TO LICENSING

## PROPOSED IMPROVEMENT

## RATIONALE

1) Online Applications and Reporting  
(while still allowing alternatives for  
those with tech access issues)

Streamlines the process  
More efficient/timely  
Nimble

2) Combined A.I. / Live Chat for Q & A

Efficient and Accessible  
Would ensure consistent messaging

3) Keep Ongoing Application Process  
(i.e. can apply any time)

Efficient, accessible, and productive

# PROPOSED IMPROVEMENTS TO RAFFLES

## PROPOSED IMPROVEMENT

## RATIONALE

- |                                                               |                                                           |
|---------------------------------------------------------------|-----------------------------------------------------------|
| 1) Allow proceeds to be used longer than 2 years.             | Allows organizations to make best use of funds            |
| 2) Allow for carry over of greater than \$75,000.00           | Allows organizations to complete/plan for larger projects |
| 3) Keep Ongoing Application Process (i.e. can apply any time) | Efficient, accessible, and productive                     |
| 4) Online Applications and Reporting                          | Efficient and Accessible                                  |

# PROPOSED IMPROVEMENTS TO RAFFLES

## PROPOSED IMPROVEMENT

## RATIONALE

- |                                                                                                                              |                                                                       |
|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| 5) Receive Raffle License Number upon application.                                                                           | Allows for production time of collateral material (advertising, etc.) |
| 6) Allow for continuous 'Opt In'. (i.e. have to opt out instead)                                                             | Efficient, less administrative, less requirement for participation    |
| 7) Large urban foundations running online 50/50s (i.e. Oiler/Flames) should provide % to provincial gaming for distribution. | Equitable and Fair                                                    |
| 8) Online Applications and Reporting                                                                                         | Streamlines the process<br>More efficient/timely                      |

# PROPOSED IMPROVEMENTS TO RAFFLES

## PROPOSED IMPROVEMENT

## RATIONALE

9) Online Chat/A.I. for Q & As.

Efficient and Accessible  
Would ensure consistent messaging

10) Simplify language that also allows for technological advances.

Efficient, more economic (i.e. online ticket purchase needs to mailed a paper ticket)

11) Allow for electronic 'paper trail'.

Efficient, more economical, timely.  
Allows for streamlined processes.

# PROPOSED IMPROVEMENTS TO PULL TICKETS

## PROPOSED IMPROVEMENT

## RATIONALE

1) Embrace processes that foster innovation.

Machines can expedite processes  
Allows for accessibility

# PROPOSED IMPROVEMENTS TO BINGOS

## PROPOSED IMPROVEMENT

## RATIONALE

1) Embrace processes that foster innovation in sustainable fundraising (i.e. virtual bingo)

Encourages access to new markets  
Allow greater efficiency and seamless advancement for efficient processes

2) Remove and reduce unnecessary operational policy.  
Allow orgs to develop the framework to operate within it.

Stick with regulatory public policy objective.  
Too much red tape.  
Reduce 355 page document for Bingos  
Allows for efficiency with volunteers, staff, other operational needs.  
Generates significantly less proceeds than casinos and regulations should reflect that.



# PROPOSED IMPROVEMENTS TO CASINOS

## PROPOSED IMPROVEMENT

## RATIONALE

- |                                                  |                                                                                                                                                          |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1) Redistribution/Removal of Regional Boundaries | Creates a more equitable distribution of funds<br>Traveling to St. Albert vs Edmonton is 10 minutes but funds and wait times are significantly different |
| 2) Reduce Volunteer Requirements                 | Roles and number of volunteers are no longer necessary due to technological advances                                                                     |
| 3) Keep current Advisor structure                | It is working well                                                                                                                                       |
| 4) Remove 100 km Rule                            | Reduces financial barriers for smaller and rural organizations                                                                                           |

# PROPOSED IMPROVEMENTS TO CASINOS

## PROPOSED IMPROVEMENT

## RATIONALE

5) Allow for Pool of Volunteers.

Efficient

Remove requirement of volunteer to be a member of the organization.

Easier access to volunteers. Onerous requirements are a barrier.

Prevents volunteer 'burn out'

Update checks and balances to retain intent of volunteers.

System and processes need to be updated. Does the 1990's structure still hold value?

Are we penalizing 'good' organizations as a result of a few 'bad apples'? (hence excessive rules)

# PROPOSED IMPROVEMENTS TO USE OF PROCEEDS

## PROPOSED IMPROVEMENT

## RATIONALE

- |                                                                                               |                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| 1) Allow a more flexible time frame to spend proceeds.                                        | Creates better support of initiatives and capital structure fundraising needs                                                                    |
| 2) Allow for all Volunteer's related costs to be covered. (i.e. travel, accommodations, etc.) | Traveling can be unsafe, regardless of distance, during winter months.<br>Removes financial barriers that prevent some people from volunteering. |
| 3) Create a focus group to audit internal processes and consistencies                         |                                                                                                                                                  |

# PROPOSED IMPROVEMENTS TO USE OF PROCEEDS

## PROPOSED IMPROVEMENT

## RATIONALE

2) Transparent and upfront approval.

Approved is inconsistent between the different groups/units of AGLC. i.e. Groups have received formal approval (by gaming eligibility) then 2 years later receive notice that they needed to replenish \$XX to their gaming funds (by financial review unit) due to different understanding of what is approved.

3) No Claw Backs.

Allows for transparency and consistency

Allows AGLC to be more informed and sensitive to needs of an organization to maximize its community benefit.

# PROPOSED IMPROVEMENTS TO POLICIES, TERMS, & CONDITIONS, ETC.

## PROPOSED IMPROVEMENT

## RATIONALE

- 1) Streamline and simplify regulations. Clear, concise, plain language handbook(s).
- 2) Increase the percentage of revenue going to organizations and operators and decrease the percentage going to GOA.
- 3) AGLC Board should include representation from Rural communities and smaller organizations.

Shortens handbook(s)  
Reduces jargon and legalese  
Makes handbook(s) less confusing  
Creates clearer and more transparent processes

Increases proceeds for organizations

Allows for fair representation of all regions across the Province

# PROPOSED IMPROVEMENTS TO POLICIES, TERMS, & CONDITIONS, ETC.

## PROPOSED IMPROVEMENT

## RATIONALE

- |                                                                                                           |                                                                                          |
|-----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| 4) Create third party, non-biased appeal board/ombudsman or create a distinction between the teams/units. | Provides for an objective perspective<br>Creates Transparency<br>Creates a clear process |
| 5) Make all documents translatable to assist all ethnic groups.                                           | Removes language barriers                                                                |
| 6) Create checks and balances to ensure an equitable process for all organizations.                       | Creates transparency and understanding                                                   |

# PROPOSED IMPROVEMENTS TO POLICIES, TERMS, & CONDITIONS, ETC.

## PROPOSED IMPROVEMENT

## RATIONALE

6) Remove political ability to influence outcomes and elevate concerns.

Provides equity and fairness as not all organizations have open access to their political representatives

## NON-CONSENSUS

All politics are local.

MLAs have a responsibility to advocate for their constituents.

Need a balance between MLA responsibilities and an organizations access to MLAs.

# MISCELLANEOUS RECOMMENDATION

Create a Glossary of Definitions that give clarity to the word and include a definition/explanation as well as its intent.

For example:

WORD

Proceeds

DEFINITION

money obtained  
from an event or  
activity

INTENT

To recognize the  
profits of an  
event/activity  
BEFORE expenses





# FINAL MESSAGES

- [Click Here for Group 1's Mural Board](#)
- ????
- ????



# Charitable Gaming Review

Group #2



- Using the following principles to guide charitable gaming in Alberta

- Equity
- Flexibility
- Transparency
- Accountability
- Efficiency

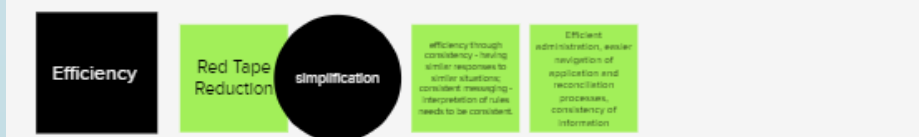
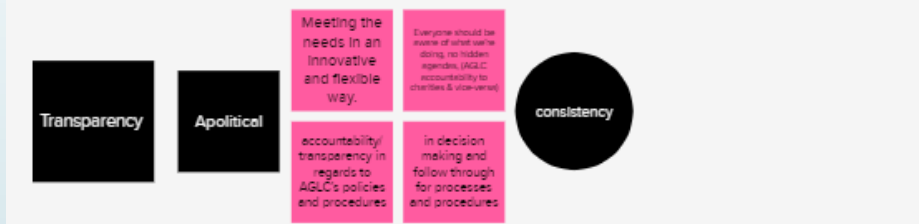
We:

- Reviewed and made recommendations for AGLC Pull Tickets
- Reviewed and made recommendations for AGLC Raffles
- Reviewed and made recommendations for AGLC Casinos

**In order to dive further into any of these topics, more data would be required from AGLC**

# What We Did

# Principles to Guide Charitable Gaming



# Charitable Gaming Challenges & Non-profit Organizations' Needs

- AGLC treats non-profit organizations, non-profit societies and charities as a homogenous group. They are not.
- Policies and communication of requirements needs to be simplified and be user friendly
- AGLC staff expertise level
- Organizations that obtain gaming licenses are made up of UNPAID volunteers
- Why is online gaming not in scope?
- Current model encourages small groups to set up as a formal nonprofit society in order to be able to access gaming funds
- The system should be built around the needs of volunteer run nonprofit societies
- We miss opportunities for innovation if we funnel people toward money in a specific way
- Simple two-way communication

# What do organizations need FROM the charitable gaming system?

Concerns with the system

differing wait times across the province for casinos

differing amounts raised from casinos across the province

volunteer requirements for casinos

what eligible organizations are allowed to spend their gaming proceeds on

Small organizations who have small budgets have the same distribution as those who run facilities. Often the small ones can't use the entire distribution in the 24 months and end up donating it. Where the facility-based organizations need to use their AGLC for capital or operating. 👍

agree! how can we design a needs based system?

GLC model promotes small unity groups in up as a formal organization to less essential funds

Whilst the amount of revenue the sector receives has grown, the proportion of gaming revenue allocated either directly or indirectly has substantially decreased

Some of the requirements don't align with the Societies Act (i.e. membership classes and voting)

How to "pay" for non AGLC expenses with earned revenue when AGLC requires you to use your earned revenue to pay for the "approve uses" - they are a last resort funder. This is especially troublesome in a public building that is heated 24/7 but only has rentals for 30% of the time and also has staff that runs programs.

Use of proceeds need better explanations.

more flexibility and more EMPATHY

it's antiquated (in ALL the ways)

lacks awareness of current and emerging sector trends

AGLC's bias and internalized power is written all over the guidebook; let the other regulators determine eligibility and AGLC can (more flexibly) regulate use of proceeds

Needs based would need a non-silo'd system right now. Organizations are funded and assessed as silos

GLC staff don't know it all - everyone knows a small piece - but nonprofits are supposed to know it all

one volunteer learns all the rules, leaves, you have to learn it all over again

redundancy of casino volunteer positions

too many different types of raffles rules

AGLC Policies need to be simplified so the average volunteer can understand them

AGLC is a regulatory board. The competencies just don't align with measuring non-profit impact and efficiency. Regulatory approach often leads to a nonsensical approach, and auditors/analysts are given an impossible task.

Modern user-friendly on-line financial reporting forms

we miss opportunities for supporting innovation if we funnel people towards money in a specific way

## Implications for NonProfits across Alberta (pros/cons)

provincial pooling:  
more money for  
some (likely rural)  
and less money for  
others (likely urban)

fewer volunteers  
required:  
volunteer time  
maximized for  
program delivery

critical that  
pooling is  
equitable  
rural - urban

## Needs and challenges these ideas address...

If nonprofits could  
pick (license form)  
which casinos they  
were willing to attend  
(based on wait lists)  
that could help with  
wait times

if provincial pooling  
happens - casino  
preferences would be  
impacted, wait times  
would be impacted  
(rural groups wait less,  
urban groups wait  
more)

hard to know what  
the trade offs are  
on provincial  
pooling with  
modelling of  
current system?

# Proposed **Outcomes** for Charitable Gaming

- ▶ Determine on how to maximize public benefit with equitability across the province for all Albertans. Who should define “public benefit “,AGLC, the Societies' Act, or CRA?
- ▶ Modify definition of Public Benefit currently based on quantity of people. Find a different way to understand impact and accessibility.
- ▶ Simplify charitable organization's processes and reporting
- ▶ Continue to require strong board governance from Societies' Act or CRA
- ▶ The system needs to be insulated from politics.
- ▶ Allow the legislation that governs each eligible organization to be the definition and governance for that organization.
- ▶ AGLC should provide the least resistance(simplify) as possible within their system for the charities navigating the system.
- ▶ There must be consistent, objective and equitable application across all eligible AGLC charitable groups



# Outcomes

**What do we want charitable gaming to achieve in Alberta? What difference do we want charitable gaming to make?**

Consistent, objective, and equitable application across all eligible charitable and religious organizations

wording from Criminal Code

finding the right solution within the model should be about the best solution for the charity and not the difficulty of navigating the system - as little resistance in the system as possible for charities navigating it

simplify

maximum equitable benefit to Albertans

maximum public good for Albertans

public benefit?

money used for public good (not just based on membership of club)

how do you create good?

registered charities have already proven their eligible (provide public benefit)

Maximum benefit to Albertans and their communities

define "communities"

What constitutes public benefit? Should AGLC be the judge and jury?

who should define public benefit with regards to charitable gaming if not AGLC?

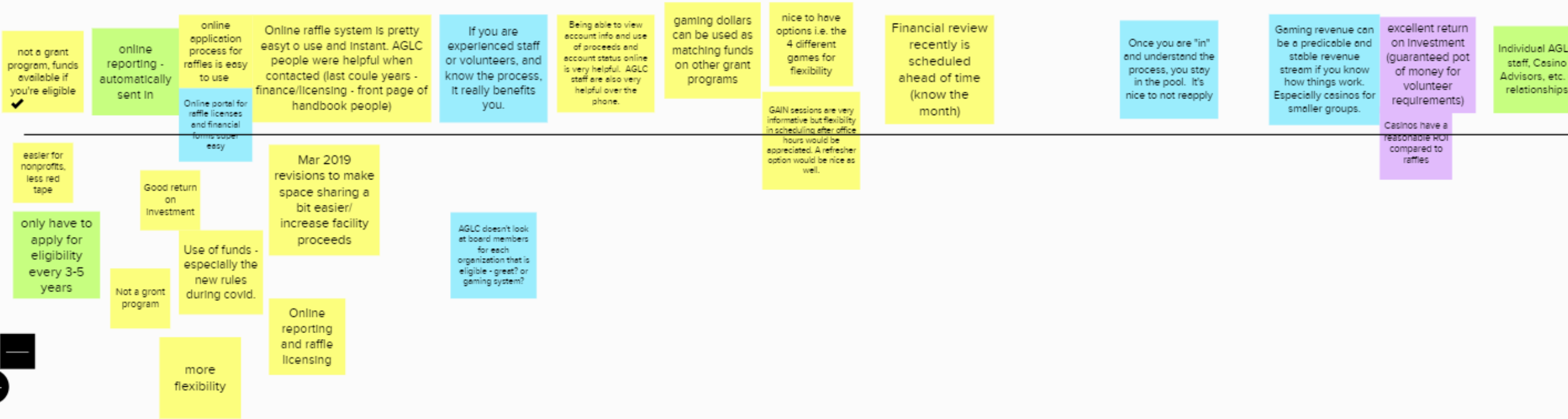
If so, how should they - or any other body - be diverse enough to understand the interests of all Albertans?

registered charities already have access to more funding sources because of their status...could exclude even more if that becomes a requirement

membership no longer proves community

## What is working well in the charitable gaming system?

(We either don't want to lose it or could learn from it.)

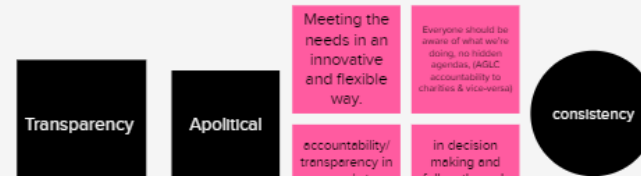




# Proposed **Principles** for Charitable Gaming

- ▶ Equity
  - ▶ Include same accessibility to gaming licenses for urban and rural organizations
  - ▶ Equitable amongst organization size, membership, group vulnerability and numbers they help
- ▶ Flexibility
  - ▶ Includes innovation & forward thinking (e.g., emerging sector trends)
- ▶ Transparency
  - ▶ Includes being apolitical and consistency both ways
- ▶ Accountability
- ▶ Efficiency
  - ▶ Includes simplification of processes, reporting

# Proposed Principles to Charitable Gaming



## Consensus

- Organizations **need** to prove public benefit
  - Societies' Act and CRA Charities have already proven public benefit
- Organizations **must** prove good governance; recognizing that different organizations have different levels of complexity and capabilities
  - Societies' Act and CRA Charities already provide this
- Do not only add rules. Remove outdated cumbersome rules too
- Eligibility could include a demonstrated need for funds and a commitment to use those funds within 24 months or before the next license period
- Allow **eligible** organizations with or without AGLC license to partner with one that does and share funds
- Don't use a numbers count of members/clients as the definition of public benefit as this method is outdated

## Non-Consensus

- Ability to use funds from 2-3 license periods for a capital project or reserve fund

# Proposed Improvements to Eligibility

## Consensus

- ▶ Simplify all processes
- ▶ Create an online platform for all applications and reporting
  - ▶ completely eliminate paper (fax)(mail) applications
  - ▶ This could be a cascade system – based on answers to one question, nonprofit has these choices
- ▶ Stop accepting gaming applications by fax . Allow for electronic
  - ▶ Faxed applications are often lost by AGLC and the group is not informed
  - ▶ Provide electronic methods for applications and information exchange

Proposed Improvements to **Licensing**

## Consensus

- Major system overhaul not required.
- Provide separate online templates, applications, reporting for each **raffle type**
- Streamline and simplify the terms and conditions for each type of **raffle license**
- Add more raffle level tiers (not just +/- \$20,000 )
- Allow raffle change requests to be done online quickly
- Allow percentage raffles rules to apply to non-bearer raffle tickets
- Separate raffles and casinos on annual report
- Allow for emailing/electronic tickets (not only by post)
- AGLC to monitor the granting of large cash lottery licenses throughout the year within communities

## Non-Consensus

- AGLC to create a platform for online ticket purchasing so organizations have the option of that or another approved vendor platform at no cost to the nonprofit
  - Added public benefit/confidence if members of the public could see all the raffles running and buy tickets for any raffle they want
- Eliminate requirement for board members to attend raffle draws
  - Propose 2 members from the organization but then Board Members are ultimately responsible for the raffle

# Proposed Improvements to Raffles

# Raffles

## Raffles, Pull Tickets, Bingos

### Raffles

types of raffles (currently \$20,000 and less OR more than \$20,000), where/how you can sell raffle tickets, online v in person, getting tickets to purchasers, tracking, timelines, costs, forms, volunteer requirements, record keeping, limits on proceeds, processes, rules, criteria, etc.

- What ideas do you have for how raffles could work?
- Consider, what would you like raffles to achieve?
- Consider, what would you like nonprofits' experience of raffles to be?

### What are the biggest challenges around raffles in the current system?



### What could raffle rules, processes, etc. look like in the future?





## Consensus

- Update current systems so more of the applications, reporting, etc. can be done online
- Do not eliminate in-person pull tickets
- Allow for part of photocopying lease; printer purchase, and all photocopying expenses to be paid from gaming proceeds.

Proposed Improvements to **Pull Tickets**

# Pull Tickets

## What are the greatest needs and challenges?

### Before COVID?

Pull tickets are critical to the revenue earnings of the Charities.

Rationalization of Pull Ticket Policies encouraging further steps to reduce unnecessary controls would assist.

# of volunteers required

limited to \$500 prize if selling < 6 days

can do \$1000 prize if selling >6 days

probably not followed

### During COVID?

Bingo Halls were Closed for over 200 days. No pull ticket sales.

## What ideas do we have for improvements?

Permit the introduction of the innovation for Pull Ticket distribution

there is potential to do pull tickets online - flip open to reveal something ...

do NOT put pull ticket machines beside VLTs (would encroach on charitable gaming)

let all pull tickets do \$1000 prize independent of how long they are selling

PlayAlberta should have same rationale as slot machines - slot machines in casinos share proceeds with charities

15% of Play Alberta proceeds to charitable gaming

could use this 15% as 'travel fund' for charities that have to travel a ways to do charitable gaming

can't totally eliminate in person pull tickets

look at innovations around the world (e.g., distribution, etc.)

generate pull ticket electronically instead of getting a box of physical tickets

increase distribution by using technology

flexibility in use of proceeds

fewer restrictions in how proceeds are being used

allow photocopying lease to be paid by gaming proceeds given it is used for reports to AGLC :)

## Consensus

- ▶ Allow concessions to make money
- ▶ Operate Bingos like Casinos
  - ▶ Allow private operators to run bingo halls
  - ▶ Eligible organizations could 'share' the volunteers required and the "pooled" proceeds
- ▶ Increase flexibility on volunteer requirements to encourage a valuable volunteer experiences

## Non-Consensus

- ▶ Eligible organization having to be a member of a bingo association and a member must attend all the bingo association meetings

# Proposed Improvements to **Bingos**

# Bingos

Running a bingo

## What are the greatest needs and challenges?

Commercial  
Bingos -  
Bingo  
Association

Community  
Bingos -  
Non-  
Association

### Before COVID?

### During COVID?



## What ideas do we have for improvements?



## Consensus

- ▶ Allow licensed group to choose casino location throughout province
- ▶ Pool and distribute funds provincially for all organizations, not just by region
- ▶ Do not eliminate volunteer positions and licensed group responsibility during casino events
- ▶ Provide accessible and on demand ratings and review system for the Casino Advisors Volunteer groups must hire
- ▶ Do not make this a grant program
- ▶ Ensure AGLC have good understanding and experience with the different types of nonprofits and their licensing

## Non-Consensus

- ▶ Require 3 volunteers at casino event, only if little or no money is taken away from licensed group by the operator
- ▶ Remove advisor role for Volunteer Groups
- ▶ Do not want to see a new system; just some tweaks

# Proposed Improvements to Casinos

# Ideas, Thoughts, Suggestions for AGLC

AGLC staff should have understanding and experience with nonprofits

volunteers involved in casinos in some way

Advisor role kept but needs improvement or staff at Casino

give charities some ability to choose the casinos they are willing to work in

do not eliminate volunteers completely from casinos

changes to casino funds pooling (depending on tradeoffs)

only conditionally willing to support many of our Ideas until we know how they ideas roll out and are modelled across the province - if our Ideas unintentionally lead to (new, further) inequities then we wouldn't support them.

need consistent interpretation by AGLC staff of various AGLC policies, including board/bylaw oversight, eligibility, use of proceeds

do not make this a grant program (applications, etc.)

if charities are deemed eligible and given a license, remove restrictions on use of proceeds

do not control (unrestricted) use of proceeds so long as the receiving organization is designed around a public good

don't channel casino funds in one specific way (don't limit use of proceeds) - let organizations use the money for what they need

AGLC should drop 'earned revenue' completely as a restriction on use of funds

AGCL role to regulate charitable gaming model, not to oversee minutiae of use of proceeds (broad rules but not details)

identify what AGLC is definitely NOT okay with money being spent on, otherwise, let charities make the decision on how to spend gaming dollars to achieve mandate

fair to limit Use of Proceeds to nothing illegal

CGM be a first-resort funder - enabling nonprofits through funding rather than restricting funding

audit system capitalizes on existing processes - recognize other work charities and NPOs do to ensure compliance in a variety of systems - use those instead of duplicating them

accept things that already exist as evidence that there is no problem - where there are gaps, lack of proof, then AGLC needs to step in

## Consensus

- ▶ AGLC's role is to regulate gaming, not oversee the minutiae on use of proceeds
- ▶ When the organization receives a gaming license, it should be able to spend its funds on its program delivery in an easy, efficient manner
- ▶ All reporting should be moved online.
- ▶ Require consistent rules across the province regarding how expenses covered by gaming funds can be paid and reimbursed

## Non-Consensus

- ▶ Administrative spending should not have a maximum percentage of received funds

# Proposed Improvements to **Use of Proceeds**

## Consensus

- ▶ Continue oversight of board governance
  - ▶ Provided Service Alberta (Societies) and CRA (Charities) providing this role instead of AGLC
- ▶ Need consistent interpretation by AGLC staff for all policies, reporting, procedures oversight, etc.
- ▶ Do not make casino fund accessibility a grant program
- ▶ Audits should capitalize on existing processes
  - ▶ Consider a financial checklist
  - ▶ Simplify reporting and reporting submissions

## Non-Consensus

- ▶ Charitable Gaming should be a first-resort funder enabling non-profits through funding rather than a last resort funder restricting funding
- ▶ Licenses should be available to nonprofits that are not registered societies or charities

Proposed Improvements to **Policies, Terms & Conditions, etc.**



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Consistent, objective, and equitable application across all eligible charitable and religious organizations

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If so, how should they - or any other body - be diverse enough to understand the interests of all Albertans?

registered charities already have access to more funding sources because of their status...could exclude even more if that becomes a requirement

membership no longer proves community

- 
- **Do not turn Gaming fund acquisition into a grant program**
  - Allow licensed group to choose casino location throughout province
  - Pool and distribute funds provincially for all organizations, not just by region
  - Applications, Processes and Reporting need to be simpler, more efficient and user friendly
  - Use of proceeds needs to be updated – remove restrictions and let the charity use the funds for what they need it for
  - Increase flexibility on volunteer requirements to encourage a valuable volunteer experiences
  - Meeting AGLC non-profit group's needs in an innovative and flexible way as each organization is different
  - Modern user-friendly on-line application and financial reporting systems
  - Why is online gaming not in scope?

## Final Messages

# Charitable Gaming Review

## Group 3 Presentation

# What We Did

- **INTRO (Who we are)**
- **What we worked on**
  - **Understanding perspectives**
  - **Key Principles**
  - **Efficiencies**
- **WHAT WE GOT TO:**
  - Issues that we considered/addressed : eligibility, use of proceeds, wait times, licensing, etc.
  - Identified “low to mid hanging fruit” changes that can be made to address equity and administrative challenges in system as it is currently designed.
- **CASINOS:**
  - Bulk of time on casinos - Mostly equity & efficiencies.
  - Spent bit of time on raffles, bingos, pull tickets.
- **IF MORE TIME:**
  - Address bigger questions on nature of system (what constitutes charitable, equity, etc.).
  - We all agreed on concept of change (structure, equity) but didn't have the information or time to make solid recommendations.
  - AGLC structures (innovation in technology - like online reporting & FAQs)
  - Ensure policies are aligned to processes

# Charitable Gaming Challenges & Nonprofit Organizations' Needs

## MURAL Discussion on Eligibility, Volunteer Requirements, Use of Proceeds, Wait Times

What further qualifications could be applied to limit casino eligibility?	Are there limitations based on charities/ societies/ organizations types for eligibility?	Is there a limit on # of eligible groups as there is a limit on casino spots?	Why do some orgs get more than 1 casino/year
How often are different charities/ societies/ organizations reviewed for eligibility? Is there a process to ensure that the review is consistent across the province?	Should there be a cap on the number of casinos a charity/ society/ organization can have? Should there be a limit on the number of casinos a charity/ society/ organization can have?	redistribution of gaming funds between charities	is a notion of equity should the funds be pooled across the province?
iterative review by AGLC to assess eligibility of prizes costs more than fees	impact on small member group only or broader community?	Oral applications permitted for indigenous communities and/or new Canadian organizations	the difference between a society and a registered charity
Wait time for licensing approvals appears to be inconsistent depending on size and history of work with the AGC.	do grandfathered agreements contribute to inequity between groups w/ 6 DAR events	should there be a cap or a max annually for	inactive licenses
should amateur sporting groups be treated differently?	service clubs who support other charities who also do casino/ gaming	Some groups like elite sports and private schools are not having a charitable program available to all members of the public.	

Can non-group members be compensated for working casinos?	Can a group be given the option of working a major casino event if they are in a minor casino region?	Why can't casino workers change positions from one day to the next?	rigid positions makes finding volunteers onerous
Can the definition of volunteer be expanded to include virtual engagement in the time of covid?	Expand on volunteer board for signing applications when there is paid staff who fill the role of reviewing raffles.		

waiting time for approval is far too long.	approvals are sometimes inconsistent from one AGLC employee to another	for charities whose primary services are indirect, how can the use be expanded to be more supportive? i.e. scholarships
Charities are receiving increasing requests from the community to provide support. Increased flexibility overall would allow us to meet the needs.	needs an overhaul, not meeting needs of organizations	Ability to recoup costs from executing raffles

Charities are not evenly distributed province. Casinos have over 600 waiting for their date.	Annualized Casino proceeds ranging from \$6,400 to \$41,000 in low-traffic areas.	Almost every charity requests a date for their event. The province has a limited number of dates. The province has a limited number of dates.	Casino wait time ranging from 17 to 42 months (and growing) is too long a gap
When did you become aware of the wait time process starting? How long did it take to get a date?	Charities are not evenly distributed province. Casinos have over 600 waiting for their date.	Some orgs's inactive licenses (annually) while others have to wait for many months	The Province has an effective waiting list of charities. Some charities have to wait for many months.

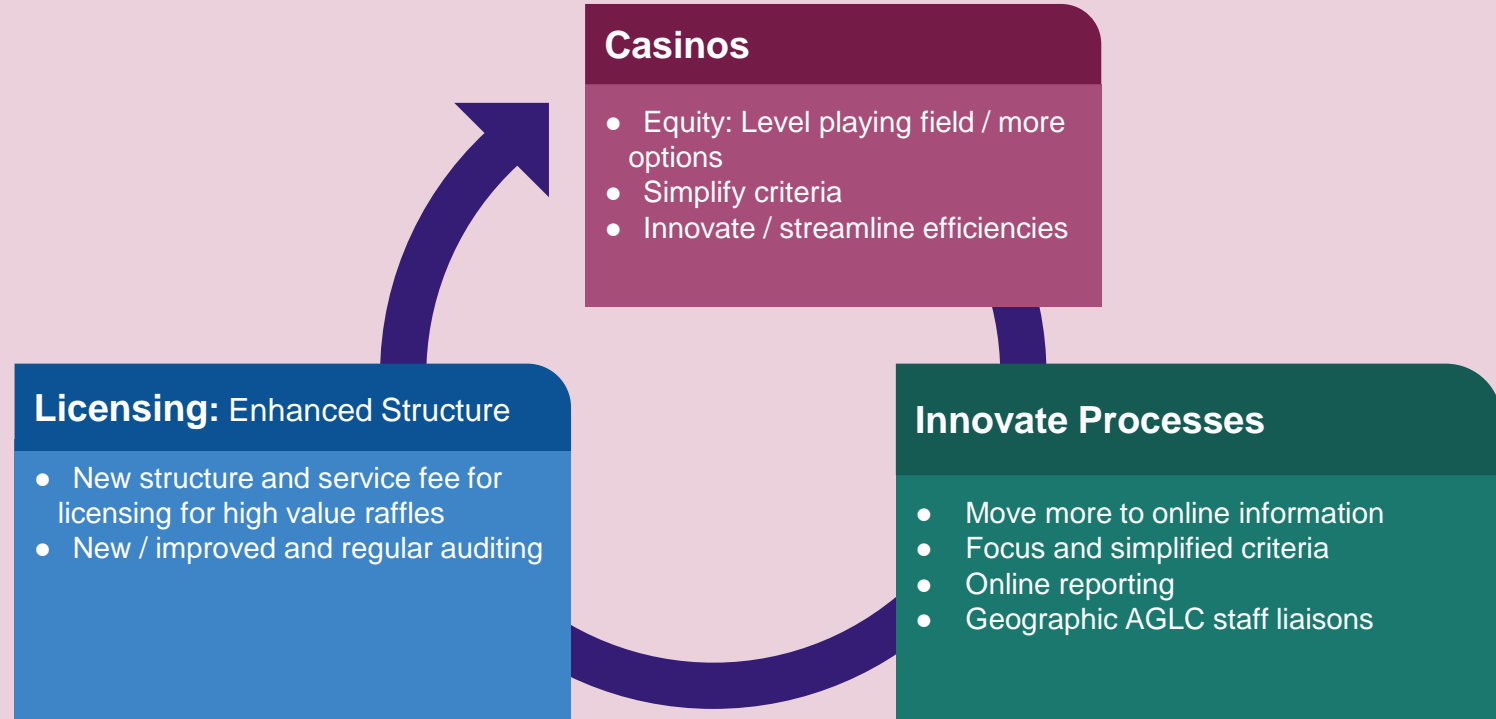
## Reflections / Highlights

- Discussed challenges and inconsistencies
- Equity
  - Waiting time
  - Proceeds
  - Pooling / restructuring funds throughout province
  - Need to create more efficiencies

Volunteer requirements for Bingo	More online reporting, less paper for reports	Removing volunteers from the reporting process when paid staff are available	Consistent reporting and auditing - different AGC reqs require different reports	Why mail a paper ticket for small raffle when an online sale is confirmed?	Would increase flexibility if gaming funds could be used to seed a new raffle
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# Overview

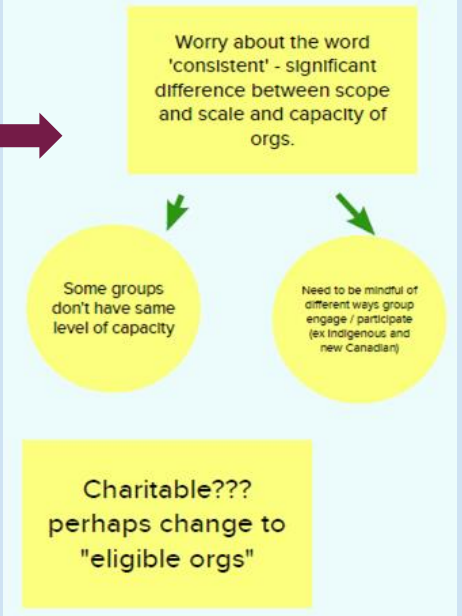
## Overarching Themes / Recommendations....



# Proposed **OUTCOMES** for Charitable Gaming:

## OUTCOMES

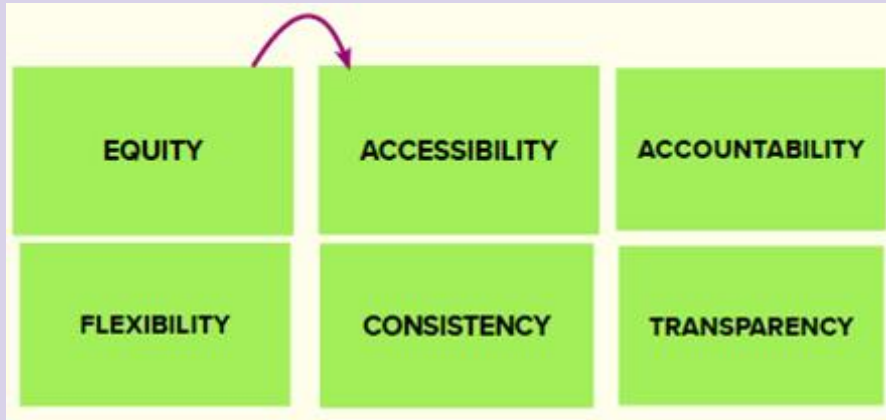
- 1. Maximize benefit to Albertans and their communities
- 1. Consistent, objective and equitable application across all eligible charitable and religious organizations
- 1. Impact reporting (use a variety of ways to report the impact funding has)



## Reflections on Outcomes:

- Outcome 1:** Very broad-brush, but ultimately what we would hope charitable gaming achieves to benefit Albertans and their communities
- Outcome 2:** Suggestions to change or eliminate word 'consistent', remove 'charitable' and just say 'eligible' organizations
- Outcome 3:** We added an outcome related to "impact"

## Proposed **PRINCIPLES** for Charitable Gaming:



### Reflections / Highlights

- Principles overlap and connect
- Equity doesn't have to be equal but should be perceived as fair - also linked to accessibility / equitable access
- Adaptability and transparency are critical



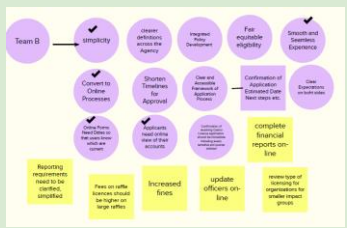
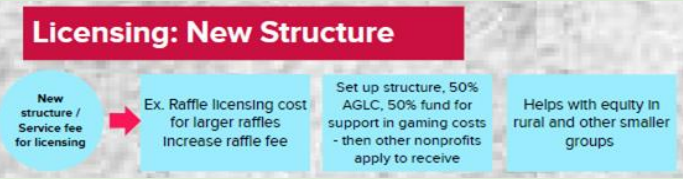
## Proposed Improvements to **ELIGIBILITY**:

- **CLARITY ON “CHARITABLE” AND “COMMUNITY BENEFIT”**
- **LEVELS OF ELIGIBILITY**
- **LICENCES**

## Consensus / Non-Consensus

- **Agreement that clarity is needed** to better define ‘charitable’ and ‘community benefit.’
- **No full consensus on how to define community benefit or charitable.** It was noted that this is a sensitive issue.
- **Agreement that we may be creating new issues or challenges for existing organizations**
- **Agreement on keeping levels of eligibility**
- **Agreement on regular ongoing licence reviews**

# Proposed Improvements to LICENSING:



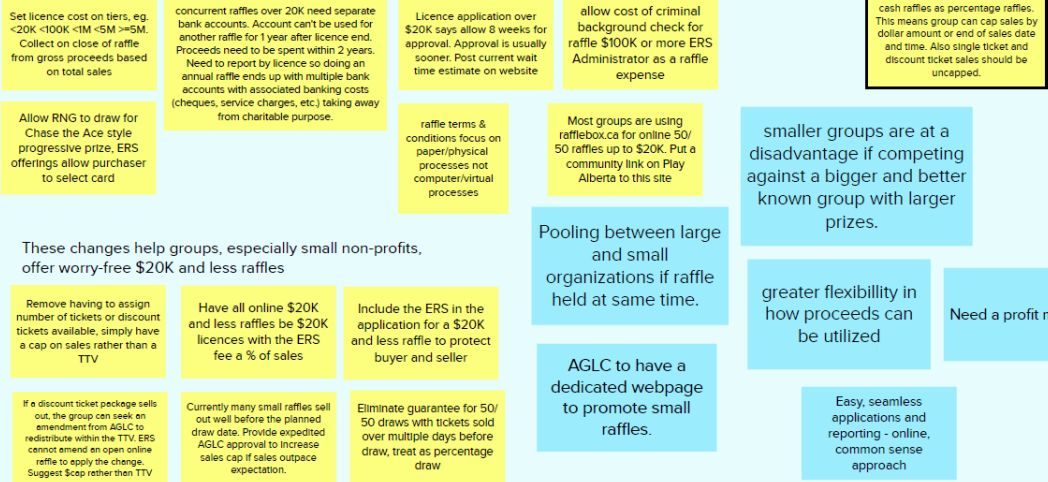
## Consensus / Non-Consensus

- Agreement on changing eligibility for casinos for very large revenue orgs
- Raffle licensing fee increase for \$1M+ categories - shared revenues
- Regular ongoing reviews is critical - some may be removed so others can be licenced

Eligibility	Licensing
<p>Large scale orgs no longer have eligibility for casinos - which then allows other orgs to access</p> <p>Clarity of defining 'members' for positions of organization - is there a way to simplify this</p>	<p>When there are clear policies - more consistency with answers, and simplifies for everyone what the answer is</p> <p>opportunity to innovate - FAQ in one spot using technology</p> <p>May free up time for AGLC</p>
<p>Recurring theme would be to update technology / systems in AGLC</p> <p>If groups could login then they can sign current forms - living document, dated and would make life simpler</p>	<p>Large scale orgs no longer have eligibility for casinos - which then allows other orgs to access</p> <p>Auditing creates more work for AGLC</p> <p>More work to AGLC but links to transparency</p>
	<p>Could be less work if there are simpler forms and reporting - benefit to nonprofit and AGLC staff</p> <p>Eg. some are reviewed at different intervals</p> <p>Licensing - review of licenses and more regularly</p>

# Proposed Improvements to RAFFLES:

- Keep set licence cost on tiers
- Increased raffle fees for those \$1M+
- Greater flexibility in how proceeds can be utilized
- AGLC to have dedicated webpage to promote small raffles
- Remove the requirement for the 20% guarantee



## Consensus / Non-Consensus

### Consensus

- Licensing cost on tiers
- flexibility of use of proceeds
- Cash raffles (50/50) should be a percentage raffle

### Non-Consensus

- Pooling large and small organization raffle proceeds

## Proposed Improvements to **Pull Tickets**:

- Ensure Play Alberta doesn't add virtual pull tickets
- Not have pull tickets available from machines in bars / lounges
- Allow all pull tickets to sell \$1,000

simplify adding  
events to the licence

remove the \$500  
maximum prize limit  
on non 6 day a  
week sellers

should pull tickets be  
available from machines  
in bars/lounges as in BC  
for example?

## Consensus / Non-Consensus

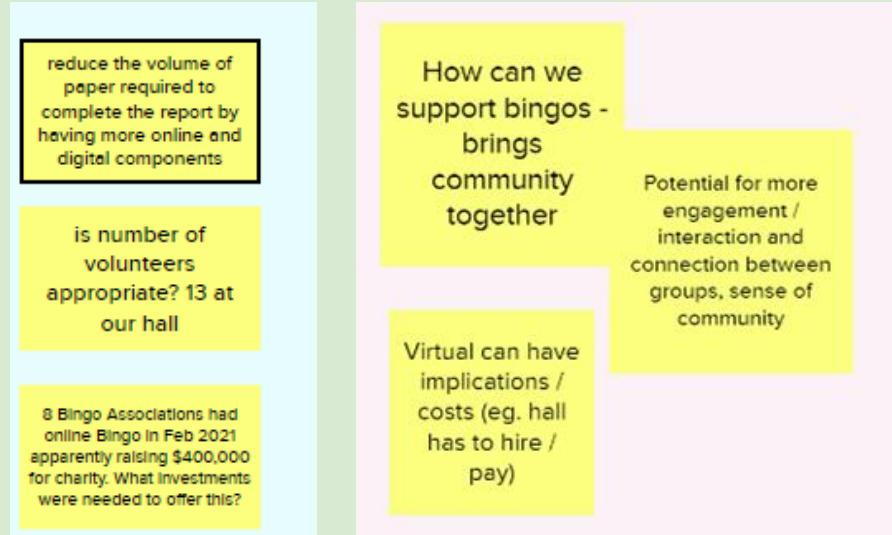
Consensus on all proposed  
improvements

# Proposed Improvements to **BINGOS**:

- Number of volunteers reduced
- Costs incurred related to proceeds / revenues earned needs to be addressed

## Consensus / Non-Consensus

- Consensus on reducing volunteer requirements
- Costs incurred related to proceeds / revenues earned is a challenge



# Proposed Improvements to **CASINOS**:

## Consensus

### Casinos: Focus on Impact

01

Create more options

- Scaling who should have casinos
- Pooling resources with a formula (next slide)
- Sharing Casinos / incentivize
- Choice options (1-2 days, reconsider 6-day casinos)
- Linked to principle of equity

02

Focus and simplify criteria

- Very large scale orgs no longer have eligibility for casinos (then creates equity for others to access)
- Simplify and clarify forms / criteria
- Flexibility with volunteers
- Link to principles of equity and transparency

03

Innovate / streamline efficiencies

- Online reporting
- Opportunity to innovate processes / information (ex. FAQ in one spot using technology)
- Link to accountability and transparency

### Other Ideas

- **Enhancement of current processes** (make easier since we are all volunteers)
- **Conduct reviews with regular, structured schedule**
- **Travel fund** - % from all proceeds / increased raffle license fees to defray part of costs of travel beyond commuting distance

# Proposed Improvements to CASINOS:

## Example: Equity Pool Redistribution

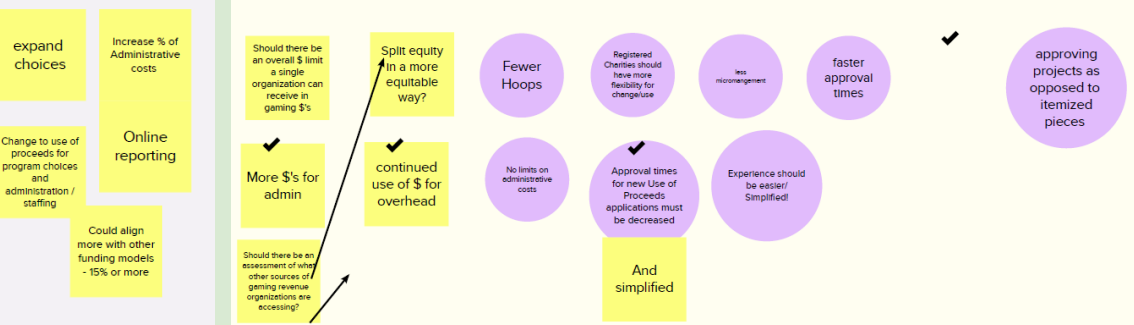
Red Tape Reduction - Wait Time and Proceeds							
Remove Edmonton/Calgary Restriction							
Immediate - Move 150 Greater Edmonton Charities at Camrose to 5 Edmonton Casinos							
	Charities	Change	Wait Time	Change	Proceeds	Change	Change
Before Move							
Camrose	650		42		6,400		
Edmonton	360		23		40,000		
After Move							
Camrose	500	-150	32	-10	8,400	2,000	+31%
Edmonton	390	+30	25	+2	36,800	-3,200	-8%
150 Moved							
Before	150		42		6,400		
After	150		25	-17	36,800	30,400	+475%
Immediate - Move 150 Calgary Rural Charities to 5 Calgary City Casinos							
Before Move							
Rural	550		36		14,000		
City	320		20		41,000		
After Move							
Rural	400	-150	26	-10	19,385	5,385	+38%
City	350	+30	22	+2	37,275	-3,725	-9%
150 Moved							
Before	150		36		14,000		
After	150		22	-14	37,275	23,275	+166%
Annual Proceeds and Wait Times from Chart on page 27 Charitable Gaming Review 2021							
Number of Charities from AGLC Q&A Board							
Historical analysis only, future is unknown							
Greater Edmonton: Devon, Beaumont, Ft Saskatchewan, Sherwood Park, Nisku, Leduc							

## Consensus / Non-Consensus

- Support as a concept for pooling resources as improved equity and reduced wait times across the province
- Further analysis needed

# Proposed Improvements to **USE of PROCEEDS:**

- Streamline processes / online reporting
- Expand choices
- Assessment



## Consensus / Non-Consensus

**Creating efficiencies:** Simplify and improve reporting

**Expand choices:**

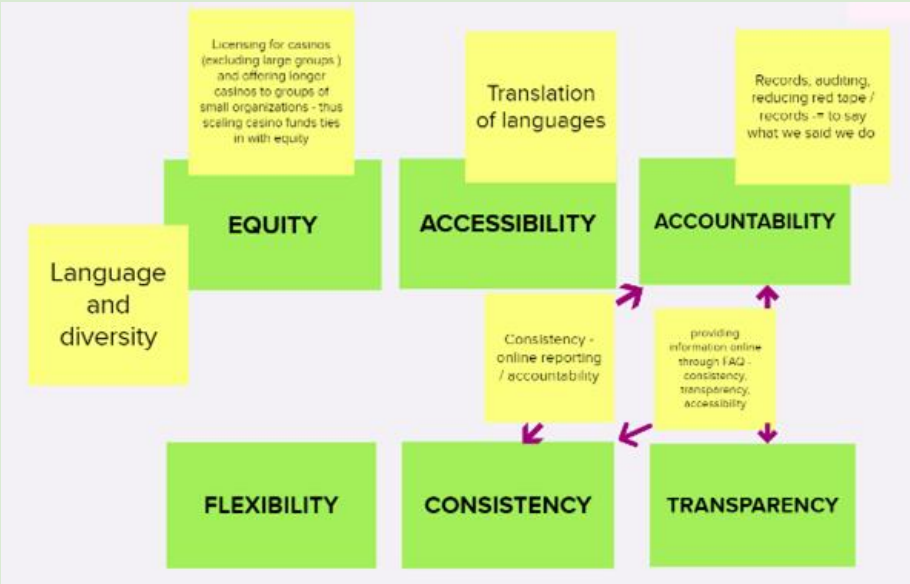
- Increase allowable admin costs
- Approving projects vs itemized costs

**Assessment** - other sources of charitable gaming



# Proposed Improvements to Policies, Terms & Conditions, etc:

- Clarify and simplify criteria
- Improved technology (online reporting, online FAQs, login to access information/forms)
- Innovate / streamline efficiencies
- Greater flexibility with casino positions



- More online fillable forms
- For larger organizations, look at ways to accept external audit findings
- Emphasize impact of proceeds rather than micro analysis of spending
- Eliminate Recipient Agreement 5507.5627 for small amounts, say \$5,000?
- Allow required criminal background check fee (IRS Admin within 3 months) to be on expense
- \$20K and less proceeds can be commingled with casino or bingo funds - allow multiple raffle over \$20K proceeds to go into a single bank account, if charity desires - reduce number of bank accounts for annual raffles and multiple raffles in a year
- current definition says victims shelters but definition needs to be more inclusive

# Final Messages

## What does AGLC have to wrestle with?

- Need to ensure best decisions made are for benefit of most
- Resource implications
- Did we cover everything? Or did we create new challenges?

## Most important for AGLC to remember when they start working on recommendations?

- Trust and transparency is critical in process
- Willingness of AGLC to make changes/be flexible
- Prioritize recommendations - start soon

## What we want AGLC staff to walk away from this stakeholder engagement with?

- Recognize & appreciate volunteers committed to the charitable sector and with experience and expertise participated

# Charitable Gaming Review

**Group #4**

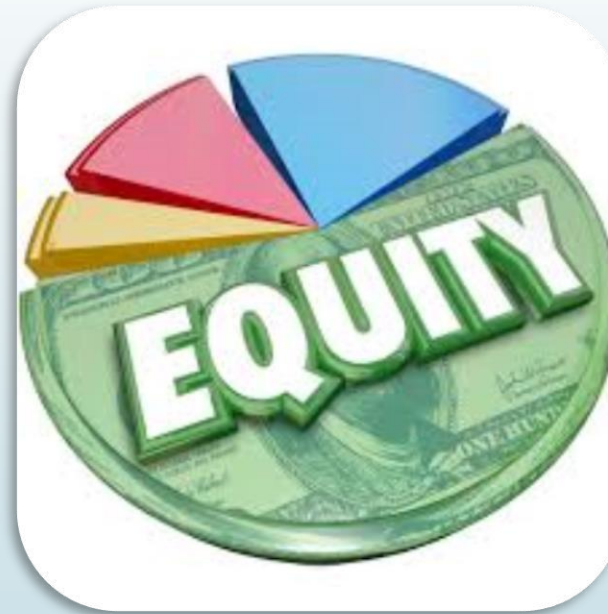


# What We Did



We acknowledge the opportunity to provide input

This funding is important to communities across the Province



We need to work on equity

We need help to grow our pie – fix the revenue side



# Charitable Gaming **Challenges** & Nonprofit Organizations' **Needs**

## DEFINITIONS

- ▶ **Different definitions** of 'charity' or 'charitable' is confusing and using only 'Registered Charities' – as per CRA – eliminates a lot of great non-profits
- ▶ **Definition of 'community/public benefit'** is unclear (regarding eligibility)

## EQUITY

- ▶ **Rural organizations** are at a disadvantage;
- ▶ **Unequitable distribution** of funds across Province
- ▶ **Barriers exist** for newcomer groups, disabilities, etc
- ▶ Sector feels it is **treated unfairly**

## VOLUNTEERS

- ▶ Trouble finding enough **volunteers with the skills** to do the roles

# Charitable Gaming **Challenges** & Nonprofit Organizations' **Needs**

## **VOLUNTEERS Continued**

- ▶ Requirement of **volunteers to be a 'member'** of the organization challenging

## **ADMINISTRATION**

- ▶ Too many **rules; complicated;** unclear, red tape
- ▶ **Technology** - online options throughout the system, recognize some groups have tech issues

## **REVENUE**

- ▶ More groups apply every year while the **pot of money is shrinking**
- ▶ Should **parent/provincial groups** and their subsidiary/chapter/branch be eligible?
- ▶ **Lack of transparency** around all gaming revenue and how it is invested in communities

# Proposed **Outcomes** for Charitable Gaming

- ▶ Maximum benefit to Albertans and their communities, ***through Alberta's charities and non profit associations***
- ▶ **Consistent, objective, and equitable application** across all eligible organizations
- ▶ **Minimize** Regulatory Burden

**\*NOTE\*** Will there be a way in the system to off-set the loss of revenue for groups that, for various reasons (ex: religious/faith orgs), are unwilling to take gaming funds? (**non-consensus**)

# Proposed **Principles** for Charitable Gaming

- Equity
- Transparency
- Efficiency
- Flexibility
- Support of Alberta's charitable and non-profit organizations
- Accountability
- Consistency
- Innovation



# Proposed Improvements to **Eligibility**

## CONSENSUS IDEAS

- ▶ **Conduct ongoing eligibility reviews every five years**
- ▶ **Ensure Provincial/parent organizations are applying on behalf of their chapter/branch/subsidiary and sharing the revenues**

## RATIONALE

- ▶ Update those previously eligible and determine if still eligible. If not, remove and accept new group. No politics.
- ▶ Some subsidiary groups are independent - need to be flexible and case by case\* \*\*
- ▶ **\*Caution:** Clear language needed on what is a chapter/branch/subsidiary
- ▶ **\*\*Caution:** Needs more information and review of what 'case by case' means

# Proposed Improvements to **Eligibility**

## NON-CONSENSUS

### ➤ **Weighting System for Eligibility with Clear Criteria**

Fall under the definition of CHARITY as interpreted by AGLC; Social benefit purposes?; Quantitative, not qualitative

### ➤ **Eligibility tied to Charitable Status; or a “charitable plus” model**

## EXPLANATION OF THE TWO SIDES OF THE IDEA

- **PROs:** could be clear, transparent, consistent, equitable
- **CONs:** group could not decide what the eligibility criteria would be, beyond ‘charity as interpreted by AGLC’; could make it political
  
- **PROs:** could be simpler, clear; there are examples from England on a successful ‘charity plus’ model
- **CONs:** Definition of ‘charitable’; who is in the “plus” category, how are they selected?; Would groups with current eligibility be ‘grandfathered in’?

# Proposed Improvements to **Licensing**

## CONSENSUS IDEAS

- ▶ **Online Applications and Reporting** (while still allowing alternatives for those with tech access issues)
- ▶ **Maintain the freeze on casino FACILITY licenses**



## RATIONALE

- ▶ Would greatly improve process; faster; nimble
- ▶ Would allow those that do exist to be successful; not flooding the market with more casinos; If demand increases this can be reviewed

# Proposed Improvements to **Licensing**

## NON-CONSENSUS

### ► **Cap on Licenses**

One way: Take the number we have in 2021, as we lose some licenses, we open up that number of spaces **ONLY** to new groups



## EXPLANATION OF THE TWO SIDES OF THE IDEA

- **PROs:** Increased number of groups getting licensed reduces the overall pot of money; a cap would create the pressure to open up new revenue
- **CONs:** No decision on HOW to limit the number of licenses – it disadvantages new orgs; regular reviews on license holders must be done so some can be let go to allow for space for new ones; **requires a full-blown eligibility review**

# Proposed Improvements to Raffles

## CONSENSUS IDEAS

- ▶ **Online applications and reporting** (while still allowing alternatives for those with tech access issues)
- ▶ **Limit the number of ONLINE Raffles a group can have per year**

## RATIONALE

- ▶ Ease of access, speed, nimble
- ▶ Prevents groups from taking a very large share of donor dollars



# Proposed Improvements to Raffles

## NON-CONSENSUS

### ► Sliding Scale on Revenue Sharing

Those who make in excess of (example \$100k – major sports teams 50/50) give a % back into the provincial pool; based on a sliding scale; supplement grant programs



## EXPLANATION OF THE TWO SIDES OF THE IDEA

- **PROs:** Could even the playing field; get money more broadly into the community; hard for a small group to put the marketing power in and the prize draw (like Oilers); altruistic; equity
- **CONs:** Concern that groups who do nothing benefit from others hard work; why would we take from some to give to others? Cannot prove that the revenue of the major raffles take away from the smaller groups' raffles

# Proposed Improvements to Pull Tickets

## CONSENSUS IDEAS

- **Electronic Pull Tickets (not online gaming)**

Rationale: it would diversify the revenue

## NON-CONSENSUS

- N/A



# Proposed Improvements to **Bingos**

## CONSENSUS IDEAS

- **Need a complete and full review on Bingos**

Should there be one system or two (community bingo vs bingo associations?)

- **Allow virtual bingos to continue post-COVID (not online gaming)**

## RATIONALE

- Lessen the load on community bingos; equity; potential for additional revenue

- Access; speed; increased revenues





# Proposed Improvements to Casinos

## CONSENSUS IDEAS

- **Casinos to remain operated by charities, NOT government**
- **Maintain volunteer involvement in casinos;**
- **Only volunteers in key roles need to be members**
- **Allow two organizations to split the Casino event**
- **Leave the Advisor structure alone**
- **Remove volunteer related costs from organization expenses and take the money out of the POOL**

## RATIONALE

- **This was a strong consensus!!**
- Volunteer flexibility means easier to get volunteers; using people effectively
- Accountability from the licensed organization; Flexibility; easier to get volunteers
- Flexibility; reduces barriers; reduced admin burden; easier to get volunteers
- Advisor structure works well
- Takes \$ out of organizations proceeds and should be provided by the system instead; does not penalize those rural organizations for having to travel

# Proposed Improvements to Casinos

## NON-CONSENSUS

### ► Provincial Pooling

Graduated program; Do not bring the higher level down, make those who get the largest revenue the baseline, and bring others up (Calgary for example)

Calgary and Edmonton organizations need more money

## EXPLANATION OF THE TWO SIDES OF THE IDEA

- **PROs:** Equity (levels the playing field re: rural and smaller orgs); Consistency; transparency; add money to the pool for all to share
- **CONs:** Concern that those who get more money would lose that; the money has to come from somewhere



# Proposed Improvements to **Use of Proceeds**

## CONSENSUS IDEAS

- ▶ **Create a SHORT list of prohibited uses** - everything else is up to the organization to determine how to use the money
- ▶ **More flexible time to spend the funds**
- ▶ **Allow a contingency account equal to 6 month annual income or max of \$500k**

## RATIONALE

- ▶ Easier to understand/navigate; flexibility; groups can use funds for their areas of greatest need; aligns with all principles and outcomes; innovation
- ▶ Flexibility; 2 years is too short; allow a group to save up for a large purchase
- ▶ Flexibility; ability for groups to manage their needs



# Proposed Improvements to **Policies, Terms & Conditions, etc.**

## CONSENSUS IDEAS

- ▶ **Online gaming should fall under CG model**
- ▶ **Need more ways to increase the revenue stream into the CG model for groups to access**
- ▶ **Online reporting, licensing, applications, audits, change to use of proceeds, etc**
- ▶ **Addictions issues need to be addressed as part of the CG model**

## RATIONALE

- ▶ Will increase dollars going to charities/non-profits; we should not be restricted in this area; government is making a lot of money off this. Provides greater transparency on community support
- ▶ Ease of access; quicker turnarounds; as much online processes as possible
- ▶ Social responsibility

# Proposed Improvements to **Policies, Terms & Conditions, etc.**

## CONSENSUS IDEAS

- ▶ **Improved AGLC communication and groups paying attention to messages**
- ▶ **Create a mechanism to gather ongoing, meaningful input from nonprofits and charities**
- ▶ **FINANCIAL REPORTING SUPPORT: AGLC to create a FAQ or other mechanism to instruct groups on financial reporting; chat line/help line online with a dedicated staff person**

## RATIONALE

- ▶ Clarity; Transparency; make it easier for groups to understand; reduce the 'lingo' and red tape
- ▶ Treats Charities as stakeholders; an advisory group could be a way to check in with the sector on policy changes
- ▶ Currently it is complex and many groups struggle; simplifying the system would help; a new system could be simpler

# Proposed Improvements to Policies, Terms & Conditions, etc.

## NON-CONSENSUS

### ► Full review of the regulated monopoly and capital gain of casino facilities and their Operators

Have a fixed fee/revenue for casino operators

Don't require organizations to buy food from casino

## EXPLANATION OF THE TWO SIDES OF THE IDEA

- **PROs:** Keeps the revenue in the hands of charities; casino operators should be seen as a supplier not a partner, getting a fixed rate
- **CONs:** many people liked this idea, but they were not sure it would be viable and wasn't a hill to die on; could result in casino closures if Operators did not see profits

# Final Messages

- **No fundamental change needed** – Change the mindset of AGLC from policing to facilitating
- Please implement **consensus ideas** QUICKLY
- **Do NOT let government run casinos!!**
- Fear that this will become political
- **Community Lottery Board or Local Charity Board** – lengthy discussion; not a fit

**This was about a \$3.5 million engagement when you take the number of sector EXPERTS involved, the number of hours, at about minimum wage (not including all the GOA staff involved) – we do NOT want to see our input put into a black box – you asked US as representatives of the organizations who use the system, and we know what we need**



# Gaming for Community Benefit Organizations

A New Model for Alberta

As designed by **Group 5**



# What We Did

Learned so much about the complexity and the breadth of people we worked together with respectfully for a common goal was a positive process.

It would be interesting to see what the outcome would be/have been if the group was not invested and had nothing to lose or gain.

Repetition was frustrating while also revealing.

I think that we tried to be something for everyone, but had a difficult time trying to decide what that everything was.

I think we got to the point where we realized this process is not a "quick fix" and there are many ramifications to all changes and decisions we considered and/or recommended.

Would have dug in more regarding the pooling of funds (why not provincial/ regional etc.)

I'm not alone in the 'valley of casinos'!

Would appreciate some greater insight into who currently benefits from proceeds in order to better inform steps forward.

Pooling is a very valid concern, I think it will be a very difficult decision for someone to make and appease all groups.

Lots of dedication to showing up.

I felt we got some basic ideas agreed upon such as streamlining the paperwork process would have liked more time to discuss about how to distribute gaming funds.

"When you've seen one non-profit organization, you've seen one non-profit organization."

Gaming is more complex than I anticipated.

# Challenges of Gaming Model & Needs of Community Benefit Organizations:

- ✧ Importance of an efficient system. Opportunity to be a more efficient system than it currently is.
- ✧ Need = ease/clarity of process for application, administration, reporting.
- ✧ Need \$ and fairness regarding access to it.
- ✧ Need for training for greater consistency of use/participation within the system.
- ✧ Need clear use of terms that don't have mixed meaning and clear definitions of terms used by "the system".
  - ✧ Using 'charities' loosely/broadly is problematic. 'Charitable Status' designation is most understood as a process for formal Federal designation. AGLC using this term is confusing.
- ✧ Only so much \$ available and can't be everything to everybody... AND it's extremely difficult to think about restricting some.
- ✧ Need to assure Albertans that gaming \$ is used for meaningful impacts and in a reasonable timeframe (not sitting in bank accounts).

# Proposed **OUTCOMES** for a Gaming Model in support of Community Benefit Organizations:

- ✧ Equity in distribution of proceeds.
- ✧ Organizations approved represent the diverse needs of Albertans.
- ✧ A system that ASSURES that \$ is used to solve things we desire \$ be used; ensuring funds are used within Alberta (meeting needs of Albertans).
- ✧ Public Benefit Test = ??
- ✧ *Ensure outcomes are based on needs of the community (and adjust as community needs change) = adjust as needs emerge = (room for everyone and some emphasis on community benefits of social housing, mental health, food/shelter) / the needs of those most vulnerable?*
- ✧ Legitimate community benefit organizations empowered to impact the lives of Albertans.



A preferred future includes things that look like this. Let's make these things the priority in funding organizations and trust them to get there. Hold them accountable in ways that makes this work easier and values the true and total costs of getting there.

# Proposed **OUTCOMES** for a Gaming Model in support of Community Benefit Organizations:

→ Continued

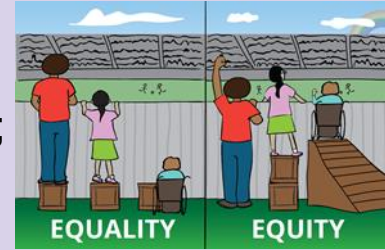
✧ A system that measures RESULTS/impact and helps to tell the story of the good work of community organizations, rather than measuring and following the dollars. **Gaming System helps tell the story of the strengthening of nonprofit and their outcomes that gaming \$'s support.**



## Proposed **PRINCIPLES** for a Gaming Model in support of Community Benefit Organizations:

**Equity:** Access and narrowing various gaps.

**Flexibility:** Rules are important, but must adapt to needs and practical realities; encourage meeting needs in innovative and flexible ways.



**Transparency & Accountability:** All parties should be accountable and transparent in operations and how proceeds are used/dispersed; A system that is apolitical and transparent in decision making and follow through for processes and procedures; funds are used for correct purposes, in a timely manner and organizations are accountable and effective report on the impact of the \$ they have used for meaningful impacts.

**Efficiency:** not time consuming and a system that support the process from application through to reporting and consistent understanding and use of terms.

**Effective:** Report IMPACTS. Making a difference. Demonstrating value by talking about results.

**Respect:** Recognize and respect the 'authority' and responsibility organizations take on.

# Proposed Improvements to **ELIGIBILITY**:

## Consensus

- ✧ Greater scrutiny on the front end of application and license = relationship / trust / assurance + some assessment of the 'health' of an organization ahead of licensing (trusted sector tools that measure this). Increased SCREENING on the intake / qualifying process.
- ✧ Agree with the existing Four Pillars to Determine Eligibility (Relief of Poverty, Advancement of Education, Advancement of Religion, Community Benefit).
- ✧ Organizations need to make their case to AGLC... and/or



## Non-Consensus

- ✧ Need to understand what community benefit means but we don't know where to start
- ✧ At some point all licensed organizations will have to undergo a re-evaluation process
- ✧ Make room for more new organizations 'at the trough'?
- ✧ Sector/peer-review eligibility process rather than AGLC deciding on the eligibility.



	URGENT	Not urgent
IMPORTANT	Urgent and important	Important but not urgent
Not important	Urgent but not important	Not urgent and not important

# Proposed Improvements to LICENSING:

## Consensus

- ✧ Applications for licensing can be stored so that organizations do not need to do it again, with the exception of updating information.
- ✧ Refer to the Four Criteria for eligibility that currently exist to determine Licensing qualifications.



## Non-Consensus

- ✧ A period of time (5 years, 10 years etc) until a new application must be submitted
- ✧ How do we measure where funding is shortfall and identifying those coming to the “gaming trough” ... and who advocates for adequate core funding?



## Proposed Improvements to LICENSING: continued

### Consensus

- ✧ Segregate the AGLC licence application process from a single licence for all gaming, to a separate licence for Casino, Raffle, Bingo, pull ticket, 50/50 etc.
- ✧ Groups can apply for 1 or all based on their need and be approved for 1 or all by AGLC.
- ✧ Narrow interpretations of the categories of “Charitable Purpose” has some feeling they are ineligible to apply for gaming licences.



### Non-Consensus

- ✧ Equitability of Licensing = is it right that all who apply are approved and yet some feel they can't apply and are excluded...??
- ✧ Where do shortfalls in adequate funding fall? Should they be leaning on gaming revenue to support these shortfalls? = reduce the need for “friends of” groups and allow those human resources to be used in community in other more urgent ways!





## Proposed Improvements to **RAFFLES**:

### Consensus

- ✧ Loosen up on use of proceeds for raffles
- ✧ Move to online licensing and reporting
- ✧ Have a tiered system for raffles through AGLC (small raffles, larger lotteries, etc)
- ✧ Simple “registration” process through AGLC for smaller raffles



### Non-Consensus



## Proposed Improvements to **Pull Tickets**:

### Consensus

- ✧ Pull tickets are not part of our purview and we are unable to comment effectively

### Non-Consensus



# Proposed Improvements to **BINGOS**:

Consensus

Non-Consensus



# Proposed Improvements to CASINOS:

## Consensus

- ✧ Volunteer Database (registered and vetted) maintained by AGLC (no more needing to fill out the Casino Volunteer Application Form = except for new people) = once completed = good for life. Similar to proserve / certification as a volunteer for Casinos + able to move positions.
- ✧ Online applying and reporting.



## Non-Consensus

- ✧ Discrepancy of rural/urban: Urban throw a portion (10%) of their proceeds into a pot to be added to the distribution to rural based organizations.
- ✧ Base amount for all and then...some formula or schematic that makes more equitable the distribution.
- ✧ Manage the cue for casinos? Who? How?

“Rich get richer and the fish are my view on how the system currently works with those who are eligible for casino money specifically. Those who are “in” are very protective of their privileged position. Similarly, those in urban centers are very protective of their current position as compared to those in rural areas. I think a more holistic view should be considered in order to avoid biases”.



# Proposed Improvements to **CASINOS**: continued

## Consensus

- ✧ More reporting on the impact of \$ from casinos and where the money goes.
- ✧ No longer requiring volunteers to be bonafide members.
- ✧ Allow more Casinos to be built.
- ✧ Designate a Casino in Edmonton area that serves rural areas (like is set up in Calgary).  
= if this helps balance access/distribution
- ✧ More flexibility for 1 or 2 day events.



## Non-Consensus

- ✧ Greater equity to groups with larger geographic
- ✧ Provincial pooling of proceeds.
- ✧ Limiting the # of new applications based on categories / how the pie is / relevance / phase out some.



# Proposed Improvements to **USE** of **PROCEEDS**:

## Consensus

- ✧ Tracking the **IMPACT** of \$'s / visibility of where \$ goes (including by organizations who distribute gaming dollars to other community groups).
- ✧ Reduce # of groups who have proceeds sitting in the bank = aiming to spend the money in a 2 (urban) or 3 (rural) year period. Collect, pool and redistribute to meet needs due to the covid shut down. Requires strong action. Deal with the inequality.
- ✧ **ADVICE:** Use of Proceeds is based on what you apply for. Extensions available and opportunity to re-apply for a different use. = More **CARE & SKILL** for effective **APPLICATION** that then guides reporting on use of proceeds.
- ✧ Mentorship to support new people in roles of administering gaming activities where experienced people assist new people.



## Non-Consensus

- ✧ If proceeds aren't spent within 2 years, maybe they could be put back into a pool = then delay approval for a next license. = demonstrating need and meaningful use of funds. Bumped to the next cycle? Lack of administration not a good reason... = part of the process for applying for extension.
- ✧ Broader, more global guidelines on expenditures instead of line by line accounting.



## Proposed Improvements to Policies, Terms & Conditions, etc:

### Consensus

### Non-Consensus

- ✧ Online. + hover feature to guide filling out of online forms (providing directions and definitions, etc.)
- ✧ Make mandatory the online GAIN training module for the administrator of gaming \$. Consistent knowledge across user groups. Training helps this whole thing work right. AGLC ensuring an executive has done online GAIN training within a reasonable timeframe (as updates emerge). + annual update provided.
- ✧ Trust the agencies and groups (license holders) as experts in their fields. Not nitpicking how the money is spent, but focusing on the outcomes achieved (the cost of doing business). The real and total cost of achieving the meaningful purpose, which is different group by group.
- ✧ *Organizations in 'good standing' = requires less complex reporting (less support material required)*
- ✧ *New licensees = require more detailed reporting of activities for first few years.*



## Consensus

- ✧ More meaningful data collection to help share the story of how gaming dollars support community and have meaningful impact (to who served/demographics, etc.).
- ✧ Appeal Process = recommend including a tribunal step (a peer review by 3 people) when AGLC denies a use of proceeds (rather than the decision falling to the Vice-President of AGLC as is current practice).
- ✧ Update language in categories of data collected (i.e. “Aid of the Distressed”??) + Work with the non-profit sector to inform the data-collected for informing future decisions and policies (leadership of the sector will help inform effective language).



## Non-Consensus

Reporting should be brief and focused on what the org used the money for. This based on not having to submit a budget up front and then seeking permission to vary from the budget. Just report on what you did with the money.





## Final Messages *(individual closing thoughts / not group messages)*

- ✧ Is AGLC and the funding provided through this program being used in the best possible way? Are funds helping to improve lives of people in our community. When working on recommendations I think it is important to consider ALL groups and organizations - the haves and the have nots.
- ✧ The AGLC Board can increase financial targets that see the community benefit gaming percentage move up in the next five years. The community benefit sector will help them make a case for that by demonstrating their value to Albertans in new and compelling ways.
- ✧ Province wide pooling is the only way to be equitable for all approved organizations.
- ✧ Gaming \$'s cannot be the default funding pool for groups whose services meet basic needs in communities. How do we ensure federal, provincial and municipal funding is adequate for healthy vibrant organizations serving Albertans.



# Final Messages *(individual closing thoughts / not group messages)*

continued

- ✧ AGLC must somehow determine new criteria to determine how many organizations can be approved for gaming licenses at any given time to ensure there is enough money to be equitably distributed, and once approved for a gaming license, is there a limit to how many times you can receive gaming funds, or does it remain “once in, always in?”
- ✧ Commit to designating online gaming proceeds for community benefit (and ensure these don’t end up in general revenue).
- ✧ + need to push some needs and costs of society back “up the ladder” *(more core funding from levels of Government for meeting basic needs of citizens).*
- ✧ What would it look like if a portion of the proceeds from gaming were put back into programs that addressed the social issues that can result from gaming (ex. Poverty, addiction, mental health, abuse etc.)?



