

CHARITABLE GAMING HIGHLIGHTS

MARCH 2012 VOLUME 25, ISSUE 1



Fine Tuning Today to Better Serve You Tomorrow

For almost forty years licensed organizations have used charitable gaming proceeds to improve local communities in extraordinary ways by providing scholarships, camps, and school programs for under-privileged children; aiding financially disadvantaged families; helping homeless and drug addicted individuals; making available refuge for victims of domestic violence; building parks and playgrounds for our children; offering programs for senior citizen centers; supporting local police and fire departments; and giving much needed services to our veterans and military families. These are but a few examples demonstrating the positive impact charitable gaming has on the communities in which we all live.



Kathie Oviedo, Deputy Comm., Charitable Gaming

My utmost appreciation and respect goes to the organizations, suppliers, locations, volunteers and players for their dedication in making a difference in our communities through charitable gaming, which provided millions of dollars to communities all across Michigan.

The Charitable Gaming Division will be taking new strategies that involve an enhanced public affairs role to include the development of improved communication through social media, and more convenient and accessible education and training opportunities. In addition, we are dedicated to providing efficient customer service and continual improvement of the charitable gaming activities through new game opportunities, technology, and effective regulation. Our initiative is to ensure that charities, suppliers and others work together and operate with honesty and integrity and in the public interest. Success of charitable gaming is dependent upon fair and productive partnerships between all participants in the sector so together we can make this a great program.



Millionaire Party Moratorium Clarification

In order to minimize the number of locations holding gambling events in the state, the bureau under its authority in the Act and rules determined that it was in the best interest of the public welfare to restrict the expansion of the millionaire party program. As a result the commissioner has issued a directive that provides for a moratorium on issuing supplier licenses to new applicants and on issuing a gaming license to an applicant who proposes to conduct its millionaire party at a location that is not actively



on file with the Bureau. This moratorium does not prohibit an organization from applying for a millionaire party license proposing to conduct the event at a location that is actively on file with the Bureau.

MP Game Records—Don't Leave Them Behind!



At the end of each day of a millionaire party, all records should be printed off and the chairperson should take the records off-site and after the event, file them with the organization. Under no circumstances should the records remain at the location. Millionaire Party Rule 403 (7) states, "The chairperson shall be in full charge of the licensed gaming event, supervise and direct all workers, and be responsible for assuring the proper receipting, recording, and depositing of all money derived from the conduct of the licensed gaming event."

All inquiries may be directed to:

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The Charitable Gaming Division's Mission is to:

- ◆ Provide efficient service to the general public with the highest level of professionalism to promote customer satisfaction.
- ◆ Examine the integrity of all charitable gaming activities to ensure proceeds are accounted for and used for the lawful purposes of qualified licensed non-profit organizations.
- ◆ Strive to encourage charity participation in licensed charitable gaming events and seek new ways to maximize proceeds for their charitable cause.
- ◆ Look to continuously improve training, communications, regulatory responsibilities, and gaming initiatives through innovation, technology and resources.



MIND YOUR TAXES

If your organization is paying workers, you should become familiar with tax laws regarding employees or independent contractors. Educational resources may include your own accountants, tax consultants, www.irs.gov, or www.stayexempt.org.

Please note: Employees of the Michigan Lottery Charitable Gaming Division are not tax specialists and are not qualified to answer tax-related questions.

Bingo Halls in the UK Making a Come-Back

Once a thriving way for non-profits to raise funds, declining net profits over the years have reached the point where for the last two fiscal years, bingo in Michigan has averaged a net loss. Of the many issues with bingo that need to be addressed, one of the primary issues is the need to increase attendance. While annual attendance at bingo in 1990 was over 11 million, last fiscal year reported less than 3 million.

While some organizations and halls have made an effort to attract new players, the bad economy fuels a need-to-win mentality for many players and sense of ownership of space, resulting in players that are unwelcoming and often openly rude to new players. New players that engage in casual chat during the calling of bingo numbers are shushed and those that celebrate their winnings quickly see that the majority of players are irritated and not amused. Based on feedback from people that had such an experience, it's easy to assume most new players never return.

How can Michigan attract new, younger players to a bingo hall and merge them with the current bingo players while keeping everyone happy? Some bingo halls overseas have found a practical way to make full use of their glass-partitioned rooms.

Express & Star reporter Mark Andrews recently visited the Mecca bingo club in Oldbury (about 125 miles northwest of London). He spoke to manager Andrew Smith and had some interesting findings which are included in this article.



Mr. Smith says the club, which has the capacity for more than 1,000 people, received a £1.7 million (about \$2.6 million) makeover two years ago, and one of the most successful moves was dividing it into two rooms (something that many halls in Michigan already have in place).

One side of the glass partition is the informal social lounge, with soft lighting, where customers chat over a drink during the games. The other side is the auditorium, a more formal, quiet area, where the tables are arranged in ordered rows, to appeal to the bingo traditionalist.

The senior citizens have not vanished completely, although they do appear to be in a minority. Smith says the average customer's age is now 51, with a quarter of the players being under 35. If anything, the crowd seems to be younger during this visit. "You do tend to get the older people in during the day, and the younger crowds at night," he says. "On Saturdays we have our late night Bin-glo sessions, which are predominantly for the under-35s."

These neon-lit sessions, which start at 9:30 p.m., have a "more outrageous the better" dress code, and customers are invited to join in a series of free novelty games after the main session has ended.

Kelly Atkins, a 36-year-old housewife from Tipton, is typical of the new generation of bingo players. "I've been coming for around two years, my sister introduced me to it," she says, while casually striking off her numbers with deft hand of a seasoned pro.

"It's better than going to the pub, at least you've got something to do," says her 41-year-old friend, Barbara Brahimaj.

A few months ago, Rowan Laybourne would never have considered setting foot in a bingo hall, but she has become hooked completely since joining the club around a month ago. The 20-year-old says she has been very surprised by the bingo experience.

"We've been coming since the day it opened," says Susan, who is 44. "Everybody talks to everybody else. I'm a very talkative person, I talk to everybody." Her family goes to the club about twice a week and share their winnings between them.

Carla, a 38-year-old caterer, adds: "It's just about getting together, and having a drink. I look forward to my nights here."

Andrew says the industry had little choice but to adapt after some pretty lean times following the introduction of the smoking ban. "That affected bingo clubs quite badly, a significant proportion of our members were smokers," he says. "It meant they either stopped playing or they went outside during the interval."

But he says it also forced clubs to re-evaluate what they offered and find ways to attract new members. "It gave us a watershed moment to look at the offer we had, and has given us the kind of club we have today."

*Administrative
Actions*



Annual Charity Game Ticket Licenses Suspended

Organization Name	City	Effective Date(s)
EAGLES 3503	Interlochen	8/21/11 - 10/1/11
VFW 2780	Traverse City	9/1/11 - 10/12/11
VFW 822	Flint	10/30/11 - 12/24/11

Bingo Licenses Suspended

Organization Name	City	Effective Date(s)
MOOSE 389 WOMEN	Jackson	8/7/11 - 8/13/11
CHIPPEWA VALLEY BAND BOOSTERS (4 licenses)	Clinton Township	8/21/11 - 9/3/11
ST. GEORGE ORTHODOX CHURCH	Troy	8/28/11 - 9/3/11
HALO FOUTCH BASEBALL CLUB (2 licenses)	Flint	10/30/11 - 12/24/11
DEMOCRATIC CLUB OF REDFORD TOWNSHIP (3 licenses)	Redford	1/22/12 - 2/4/12 2/5/12 - 2/18/12 2/19/12 - 3/3/12

Right to Obtain Licenses Suspended

Organization Name	City	Effective Date(s)
AMERICAN LEGION 322	Saline	6/30/11 - 9/30/11
EAGLES 3138	Taylor	11/7/11 - 12/1/11
TACOMA PRODUCTIONS INC.	Clio	2/19/12 - 3/17/12



Supplier Licenses Surrendered

Organization Name	City	Effective Date
JOKERZ WILD	Farmington Hills	7/21/11
SJAM LLC (SHARKIES)	Temperance	9/30/11



Administrative Actions, cont'd



Millionaire Party Licenses Reduced

Organization Name	Location	Effective Dates
AMERICAN LEGION 322 SONS	American Legion 322	6/30/11 - 12/31/11
HOLTON MIDDLE SCHOOL	Wayside West Sunnybrook Golf & Bowl	7/1/11 - 12/31/11
KHAMALAW H. WHITE FOUNDATION INC.	Flying Aces	1/1/12 - 12/31/12
KIWANIS CLUB OF UTICA MICHIGAN FOUNDATION	Snookers Pool and Pub	1/1/12 - 12/31/12
MARINE CORPS LEAGUE DEARBORN DETACHMENT	Flying Aces	1/1/12 - 12/31/12
MAYOR HILLIARD L. HAMPTON YOUTH FOUNDATION	Flying Aces	1/1/12 - 12/31/12
MOOSE 714 WOMEN	Flying Aces	1/1/12 - 12/31/12
MOOSE 884	Flying Aces	1/1/12 - 12/31/12
OPTIMIST CLUB OF ST. CLAIR SHORES	Snookers Pool and Pub	1/1/12 - 12/31/12
SHARE A SMILE FOUNDATION, INC.	Snookers Pool and Pub	1/1/12 - 12/31/12
SOUTHWEST BLOCK CLUB ASSOCIATION	Flying Aces	1/1/12 - 12/31/12
ST. PAUL LUTHERAN CHURCH	Snookers Pool and Pub	1/1/12 - 12/31/12
ST. STEPHENS PARENTS GUILD	Sharkies	1/1/12 - 12/31/12
STAY IN THE SHADE ORGANIZATION	Flying Aces	1/1/12 - 12/31/12
VFW 2645	Flying Aces	1/1/12 - 12/31/12
VFW 2645 AUXILIARY	Flying Aces	1/1/12 - 12/31/12
WIXOM WALLED LAKE LIONS CLUB	Bayside Bar and Grill	1/1/12 - 12/31/12

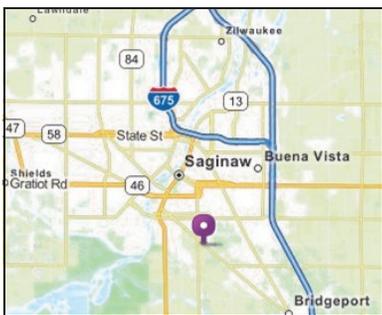


Millionaire Party Location Violation Closures

Organization Name	City	Effective Date
FLYING ACES POKER ROOM	Inkster	8/15/11 (Permanent)
ELECTRIC STICK	Westland	1/20/12 - 1/22/12
SHARK CLUB	Waterford	2/14/12 (Permanent)
ACES HIGH POKER ROOM	Grand Blanc	2/16/12 (Permanent)

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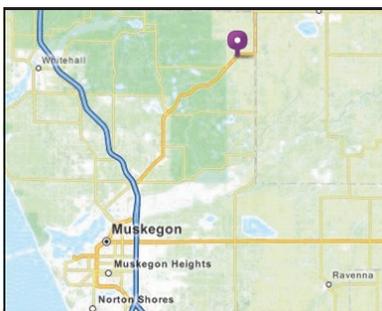
Organizations conducting Texas Hold'em are strongly encouraged to attend one of the sessions below.



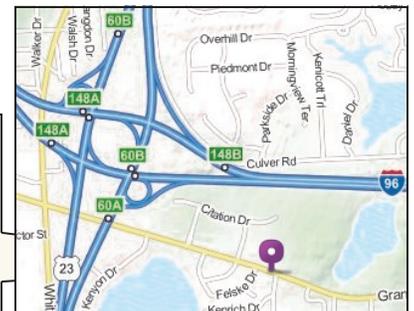
March 13 1-3 p.m.
 K of C 593
 2280 Williamson
 Saginaw



May 8 1-3 p.m.
 Four Aces Club at
 Continental Lanes
 31055 Gratiot Ave
 Roseville



April 26 6-8 p.m.
 Amer Legion 397
 9150 Holton Road
 Holton



June 5 1-3 p.m.
 VFW 4257
 10590 East Grand
 River, Brighton

Please check our website (www.michigan.gov/cg) for any updates.