

# Gambling Control Board COMPLIANCE REVIEW REPORT

<b>ORGANIZATION NAME:</b>	Pine City Youth Hockey Association
<b>LICENSE NUMBER:</b>	01934
<b>REVIEW DATE:</b>	14Jan2016
<b>REPORT ISSUE DATE:</b>	15Jan2016
<b>CONDUCTED BY:</b>	Brian Holcomb Compliance Specialist
<b>IN ATTENDANCE:</b>	Angela Westbrook Gambling Manager

<b>CLOSED GAMES REVIEWED:</b>			
<b>Game Type</b>	<b>Premises</b>	<b>Game Name or Occasion / Drawing Date</b>	<b>Serial Number</b>
Pull-Tab	VFW Post 6692	Cougar Cash	5P19073
	Chubby's Sports Bar	Summer Cocktails	7106556
	The Other Side	Beers Looking at Ya	3P63651
	VFW Post 6692	American Heroes	2802353
	Froggy's	Outlaws	4T43211
	Chucker's Bowl	Tough Enuff	4S17853
	Pine City Country Club	Got Golf	3H18500
Paddletickets	All	August, 2015	1239451

**Data Privacy Notice:** This report and any attachments will become public information when the post-compliance process, if required, has been completed. If no post-compliance is required, the report becomes public when issued to your organization. If your organization is referred to the Board's Compliance Review group, the report will remain private until the issues are resolved through the informal or formal hearing process.

<b>INVENTORY ON LG100A REPORTED INCORRECTLY</b>
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**Finding:**

The organization did not correctly report its ending inventory on the LG100A, Lawful Gambling Receipts and Expenses by Site [MN Rule 7861.0320, Subp. 8].

**Example:**

1. The value of month-end physical inventory for the month of September, 2015 provided by the LG846 shows a value of \$5,826.83. Whereas, the value being reported on the LG100A is \$5,866.83.

**Corrective Action Required:**

- Explain the above noted discrepancy.
- Refer to Gambling Control Board instructions on how to correctly complete the LG100A, Lawful Gambling Receipts and Expenses by Site.

<b>CHECKS OR ELECTRONIC PAYMENT AUTHORIZATIONS NOT SIGNED BY TWO ACTIVE MEMBERS</b>
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**Finding:**

Checks or electronic payment authorizations were not signed by two active members of the organization [MN Statute 349.19, Subd. 3 and MN Rule 7861.0320, Subp. 3B].

**Example:**

1. Check number 5885 payed to Vince Flieshhacker on 01Aug2015 in the amount of \$366.02 for July payroll was only signed by one active member.

**Corrective Action Required:**

- Ensure that all checks from the gambling bank account are signed by two active members of the organization and that two signatures of active members are obtained for all electronic payments.

<b>DEPOSITS NOT MADE IN FOUR BUSINESS DAYS</b>
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**Finding:**

The organization did not make all deposits within four business days of the date of the paper or hard-card bingo or paddlewheel occasion, raffle drawing, or the closing of a tipboard or paper pull-tab game [MN Statute 349.19, Subd. 2].

**Example:**

1. The following pull tab games were deposited late:
  - a. Game #2J63400 Closed: 21Jul2015 Deposited: 28Jul2015 Days Late: 5
  - b. Game #3L83185 Closed: 21Jul2015 Deposited: 28Jul2015 Days Late: 5
  - c. Game #3C72744 Closed: 18Jul2015 Deposited: 28Jul2015 Days Late: 8

**Corrective Action Required:**

- Deposit receipts within four business days of the date of a paper or hard-card bingo or paddlewheel occasion, raffle drawing, or the closing of a tipboard paper pull-tab game.

<b>CASH SHORTAGE PROBLEMS</b>
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**Finding:**

The organization has cash shortage problems [MN Statute 349.15, Subd. 2 and MN Rule 7861.0320, Subp. 1].

**Example:**

1. Cash shortages for months including June, 2015 through November, 2015 exceeded .3% at the following sites:
  - a. Froggy's Bar Shortage Percentage: .306%
  - b. Chubby's Bar Shortage Percentage: .380%
  - c. Chucker's Bowl Shortage Percentage: .388%
  - d. Pine City C.C. Shortage Percentage: .420%

**Corrective Action Required:**

- Refer to the Lawful Gambling Manual for strategies to reduce cash shortages.
- Make necessary changes to internal controls to resolve the cash shortage problem.
- Monitor cash shortages for each site.

<b>RAFFLE TICKETS INCOMPLETE</b>
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**Finding:**

Raffle tickets and/or detachable stubs did not contain all information required [MN Statute 349.12, Subd. 33, MN Statute 349.173 and MN Rule 7861.0310, Subparts 1 and 11H].

**Example:**

1. Raffle tickets for the 2015 calendar raffle started with the number 1001.

**Corrective Action Required:**

Ensure that raffle tickets and stubs contain all required information.

- Each set of tickets and stubs must be printed with consecutive numbers beginning with the number "1".

<b>RAFFLE TICKET INVOICE INCOMPLETE AND INACCURATE</b>
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**Finding:**

The raffle ticket invoice did not include all required information and was inaccurate [MN Rule 7861.0310, Subp. 11G].

**Example:**

1. The invoice for raffle tickets used in the 2015 calendar raffle did not contain the following information:
  - a. The range of the sequential numbers printed.
  - b. The selling price printed on the tickets.

**Corrective Action Required:**

- For each raffle conducted, the organization must keep a copy of the invoice for the printing of tickets showing the quantity of tickets printed, the range of the sequential numbers used, and the selling price printed on the tickets.
- Explain the above-noted variances.

**Miscellaneous Items:**

1. The organization makes an annual donation to Chucker's Bowl for their registration event. During this event the organization pays for food, beverages and bowling for children. For future donations for this event the organization should write a letter to the director of the Gambling Control Board, in order to gain permission to pay for the bowling portion of this event.