

## **BINGO, RAFFLES AND OTHER GAMES OF SKILL OR CHANCE**

Bingo games, raffles, and other games of skill or chance may be conducted as fund-raising projects by qualified school organizations with the Waterloo Community School District in accordance with state law and guidelines established by the District.

The following terms and conditions shall apply:

### 1. LICENSE

The Waterloo Community School District will purchase a two-year qualified organization gambling license from the Iowa Division of Racing and Gaming for East High and West High. The gambling license is available to cover all bingo, raffles, and games of skill or chance conducted by Waterloo public schools or their related school support organizations during each two-year licensing period. The license has no limit on the number of small raffles (total merchandise value not exceeding \$1000). Only one raffle per calendar year may be held under the district's license with merchandise value greater than \$1000. All other school organizations must purchase a fourteen day license for each event. The cost of this license is \$15.00. No school or school support group may use the district's license more than twice during a twelve month period. All funds raised using the district's license must be placed in the district's accounts and state sales taxes will be paid on the gross receipts.

A school support group may choose to purchase its own gambling license for an event but they must have their own tax-exempt status to do so. If they do, state sales taxes must be paid on gross receipts.

### 2. APPROVAL TO CONDUCT GAMBLING ACTIVITIES

All school or school support groups must submit a request for approval to the building principal prior to conducting any games of skill, chance, bingo, or raffles.

### 3. POSTING OF RULES

All bingo games and games of skill or chance must have the rules of the game posted so that the consumer is aware of the rules and the level of prizes.

### 4. COST TO PLAY

The cost to participate for the play of each game, whether bingo, raffle, or other games of skill or chance, shall not exceed one dollar (\$1.00) except in the case of the annual raffle with merchandise value greater than \$1000.

### 5. PREMISES

The District prefers that bingo games, raffles, and other games of skill or chance be conducted in conjunction with other school activities (i.e., carnivals, social, athletic contests, etc.) and on school property. No qualified school organization shall conduct a bingo game, raffle, or other game of skill or chance off school premises without having first secured the approval of the building principal. In no

event will a qualified school organization be allowed to conduct a bingo game, raffle, or other game of skill or chance on or adjacent to premises used by a liquor control licensee or beer permittee.

6. PRIZES

All prizes shall be paid, delivered, or distributed on the day the prizes are won. The awarding of prizes shall be subject to the following.

a. Prizes of Skill or Chance

Prizes shall not be cash. No prize shall be repurchased by the sponsoring organization nor shall any prizes be displayed which cannot be won.

b. Raffles

Raffle prizes are subject to the same limiting rules as games of skill or chance (see above). However, one raffle in a twelve-month period may be conducted by the licensing organization in which the total value of the merchandise prizes awarded is greater than \$1000 as determined by the purchase price paid by the organization or the donor. This once a year raffle remains subject to all other limiting rules.

c. Bingo

Cash or merchandise prizes may be awarded in the game of bingo. The cash or the actual retail value of the merchandise shall not exceed one hundred dollars (\$100). However, a jackpot bingo game may be conducted once during a twenty-four hour period in which the prize may begin at not more than \$300 in value and may be increased by not more than \$200 after each four-hour bingo session. The cost of play of the jackpot bingo game shall not be increased and the jackpot prize shall not exceed one thousand dollars (\$1000.00) in cash or actual retail value of merchandise prizes.

7. NET RECEIPTS

a. Definition

The "net receipts" from the conduct of a bingo game, raffle, or other game of skill or chance, shall be determined as follows:

1. The "gross receipts" - total amounts received - shall first be determined.
2. All amounts spent for or awarded as prizes shall be deducted to determine the gross profit;

3. Reasonable expenses and charges allowed by the Department of Revenue, not to exceed twenty-five percent (25%), shall then be deducted and the remaining sum is then "net profit".

b. Reporting Requirements

If using the district's license, a report, providing the above information, must be submitted to Financial Services, Education Service Center, one week following completion of gaming activities.

c. Limitation on Use of "Net Receipts"

The "net receipts" of any bingo game, raffle or game of skill or chance conducted pursuant to this policy and regulation shall only be used in one or both of the following ways:

1. Deposit in Student Activity Fund

The delivery for deposit shall be made within seven days following the event. Finally, a report, as may be required by the Department of Revenue, shall be filed by the licensee for any calendar quarter during which bingo games, raffles or other games of skill or chance have been conducted.

2. Purchase of Property

Upon the receipt of prior approval from the building principal, the "net receipts" may be used for the purchase of property. However, the property purchases must be for the sole and exclusive use of the school or the school-sponsored activities of this District.

8. MISCELLANEOUS

a. Pyramiding

Except for jackpot bingo, no bingo game, raffle or game of skill or chance shall be operated on a build-up or pyramid basis.

b. Other Gambling Prohibited

While licensed bingo games, raffles or other games of skill or chance are being conducted consistent with the foregoing rules, no other gambling shall be permitted at the same location.

c. Required Announcement

At the conclusion of each session during which the game of bingo has been played, the person conducting the game shall announce the gross receipts received and the use to which the net receipts will be dedicated and distributed.

d. Fair and Honest Conduct of Games

All games sanctioned by the Waterloo Community School District shall be conducted in a fair and honest manner, consistent with the forgoing rules and the applicable laws of the State of Iowa. At the very minimum, no game shall be manipulated so that the outcome can be predetermined; every game shall be operated openly, in the open, and every game shall be possible to win under the rules stated for the play of the game.

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