

**FINAL MINUTES**

Charitable Gaming Board – Use of Proceeds Workgroup  
Department of Agriculture and Consumer Services (VDACS)  
Pop’s Bingo World  
210 Giant Drive  
Richmond, Virginia  
Tuesday, July 14, 2020

**CALL TO ORDER**

Mr. Samuel Kaufman called the meeting to order at 10:42 a.m.

Mr. Kaufman asked Mr. Michael Menefee to call the roll.

**MEMBERS PRESENT:**

Mr. Samuel Kaufman, Chair  
The Honorable William Feasenmyer  
Ms. Amy Solares  
Mr. Charles Lessin, Ex Officio

**MEMBERS ABSENT:**

Ms. Tanya Conrad

**VDACS STAFF PRESENT:**

Mr. Michael Menefee, Program Manager, Office of Charitable and Regulatory Programs

Mr. Menefee informed Mr. Kaufman that a quorum was present.

**MESSAGE FROM THE CHAIR**

Mr. Kaufman welcomed members and the public to the meeting of the Use of Proceeds Workgroup. Mr. Kaufman stated the workgroup had deferred action on the use of proceeds in order for members to focus on the development of Texas Hold’em poker tournament regulations and to see how the use of proceeds for Texas Hold’em poker tournament will pan out.

**APPROVAL OF MINUTES**

Mr. Kaufman asked for a motion to approve the draft minutes of the March 10, 2020, workgroup meeting. Ms. Amy Solares motioned approval of the draft minutes as distributed. The Honorable William Feasenmyer seconded the motion and it passed by a unanimous vote.

**REPORT FROM WORKGROUP MEMBERS**

Mr. Kaufman asked whether a member had any report for the workgroup. With no remarks from any of the members, Mr. Kaufman moved onto old business.

### **OLD BUSINESS**

Mr. Kaufman asked whether a member had any old business for the workgroup. Mr. Charles Lessin asked for the workgroup to consider taking action on the use of proceeds as the purpose of the Board is to protect organizations, which conduct charitable gaming and at this time, organizations are suffering economically from the COVIN-19 pandemic. Mr. Lessin also stated that he supports setting a different use of proceeds requirement on the gross receipts generated from the sales of bingo and the gross receipts generated from the sales of electronic pull-tabs in order to encourage organizations to use electronic pull-tabs during their bingo session. Ms. Solares encouraged members to take some sort of action on the use of proceeds requirement. In response, Mr. Kaufman stated the proposal before the workgroup is to reduce the use of proceeds on the gross receipts generated from the sales of electronic pull-tabs from 10% to 2%. Mr. Lessin stated if organizations make a 3% profit from the gross receipts generated from the sales of electronic pull-tabs, then the use of proceeds requirement on the gross receipts generated from the sales of electronic pull-tab should be 3% in lieu of 2%. Mr. Bob Jekanowski, who represents Powerhouse Gaming, Inc. stated that there is a variable for the workgroup to consider when deciding whether to support a 2% or 3% use of proceeds requirement on the gross receipts generated from the sales of electronic pull-tab. Mr. Jekanowski further stated that an entire deal of electronic pull-tab tickets may not be sold in its entirety and as such, he encouraged the workgroup to support a 2% use of proceeds requirements. Mr. Feasenmyer publicly stated that he is leaning towards the 2% use of proceeds requirements on the gross receipts generated from the sales of electronic pull-tab. After the workgroup's discussion, Mr. Kaufman stated that it is the sense of the workgroup to recommend to the Board to reduce the use of proceeds requirement on the gross receipts generated from the sales of bingo and the gross receipts generated from the sales of electronic pull-tabs. As such, the workgroup will take action during its August meeting to formally make these recommendations to the Board. Mr. Kaufman asked Mr. Menefee to get an average profit percentage on deals of electronic pull-tab tickets as well as the average use of proceeds for bingo during the 2019 calendar year. With no further old business from any of the members, Mr. Kaufman moved onto new business.

### **NEW BUSINESS**

With no new business from any of the members, Mr. Kaufman moved onto public comment.

### **PUBLIC COMMENT**

Mr. Kaufman reminded members of the upcoming Board meeting on August 11, 2020, in Richmond.

With no comments from the public and there being no further business, the workgroup adjourned at 11:56 a.m.

Respectfully submitted,

Michael Menefee  
Program Manager  
Office of Charitable and Regulatory Programs