

NAGRA News

Fall 2004

A Message From the President



Billy Atkins
President

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As I'm writing this message we've just moved from summer to fall. I hope all of you from jurisdictions that get to experience changes in the seasons are enjoying a beautiful fall with cooler weather and glorious fall colors, as opposed to those of us in Texas who get to enjoy only one season — HOT!

I encourage everyone to start making plans to attend the 2005 Annual Conference in Halifax, Nova Scotia. Conference dates are June 11 – 15, 2005. The Westin Nova Scotia has been chosen as the conference hotel. Room blocks will be released May 13, 2005. You can obtain information about the hotel at www.westin.ns.ca and information about Halifax at www.destinationhalifax.com and www.halifaxinfo.com. Please visit the NAGRA website frequently for conference updates.

If you have any suggestions for breakout session topics, please visit with the committee chairs. Contact information for all committee chairs is on the NAGRA website, www.nagra.org. I encourage everyone to make suggestions for topics. One of the most difficult jobs of serving on a committee is identifying and coordinating conference breakout sessions that are of interest to a diverse, international group of gaming regulators. All of you have valuable insight into the issues your jurisdictions face. By sharing these insights it will help us coordinate breakout sessions that benefit all

members to the fullest extent possible.

In order to take full advantage of the knowledge and experience of our membership, I have established a Past President's Council. The purpose of the council is to provide advice and assistance to the NAGRA Board of Directors (Board) upon request with regard to matters of policy, operations and administration of the organization. I want to thank Dale Fuga for volunteering to serve in this position and for the enthusiasm and leadership he has demonstrated.

The chair of the Past President's Council will be the immediately removed past president, providing he or she maintains an active regular NAGRA membership. If that person is unable or unwilling to serve, the preceding removed Past President shall be offered the position. If that individual is unable or unwilling to serve, the NAGRA President may appoint any former president to serve as chair. The Council chair will be responsible to the NAGRA President. Membership is open to any and all former NAGRA Presidents whether or not they are active members or trade affiliates, even if they are no longer involved in regulation or gaming. NAGRA recognizes the experience, expertise, and historical knowledge retained by its past presidents and realizes that these qualities, skills and abilities are not lost upon leaving the regulatory field or gaming industry.

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Holiday Greetings From
NAGRA News

From the President continued from page 1

The first charge to the NAGRA Past President's Council is the further development of the NAGRA Policies and Procedures Manual. I encourage not only past presidents, but anyone who has served in a leadership position with NAGRA, to participate in the council; your insight and experiences will provide major contributions to the council and ultimately to the organization.

The NAGRA Board recently met in Phoenix. A variety of topics were discussed which included the NAGRA 2005 Annual conference as well future annual conferences. If any of you have any issues that you would like the board to consider, I would encourage you to contact your regional director.

I hope that everyone has a safe and happy holiday season. I look forward to seeing each of you in Halifax.

Billy Atkins
President

Board of Directors

President

William "Billy" Atkins
President (to 06/05; Past Pres to 06/06)

Eastern US Regional Director

William Yorke
(term ends 06/06)

Vice President

Kathy Baertsch
Vice President (to 06/05; Pres to 06/06; Past Pres to 06/07)

Midwestern US Regional Director *

Gerald "Odie" Otoupal
(term ends 06/05)

Past President

Kay Gaines
(to 06/05)

Western US Regional Director

Kathy Mills
(term ends 06/05)

Secretary *

Penny Taylor Moore
(term ends 06/05)

Canadian Regional Director

Rick Saville
(term ends 06/06)

Treasurer

Georgine Zalesky
(term ends 06/05)

**Featured Board Members*

Meet Your Officers



Gerald "Odie" Otoupal

Gerald Otoupal has been involved in the regulation of gaming since 1986 when Nebraska established a Charitable Gaming regulatory body as a Division of the Nebraska Department of Revenue. His career began in 1969 as an auditor for Phillip G. Johnson & Co, CPA's. He started his career with the Department of Revenue as an Auditor for the

department in 1969 and was transferred to a regional office for the Department of Revenue as a supervisor overseeing the audit section for Nebraska State Income Tax, Sales Tax, Motor Fuel Taxes, Property Taxes and other miscellaneous taxes.

In addition to supervisor duties, he conducted specialized audits for sales tax fraud, drug tax, and worked with the Nebraska State Patrol in a joint effort handling the financial area for criminal efforts with tax protesters. In 1986 the Nebraska Department of Revenue was given the responsibility of regulating charitable gaming in Nebraska. Gerald was appointed Administrative Manager, to handle field operations of gaming including audit and inspection and also the financial budget and internal office functions of charitable gaming.

Nebraska became a member of NAGRA in 1986 and Gerald became an active member. Since 1986 he was a member on the

Pull Tab Standards Committee, Co Chair of the Bingo Standards Committee, Chair of the Audit Committee, Chair of the Charitable Gaming Committee and currently in his second term as Mid Western Director.

He also is a proud owner of two Grizzly T Shirts/cap and a Cornhusker Red Pen and Pencil Set which are among his prized possessions. But his real prize possession is lovely wife Dorothy who also can be seen at our conferences.



Penny Taylor Moore

Penny serves as Deputy Director for the Arizona Department of Gaming, a position she has held for almost seven years. Before she was appointed to her current position, she was an Assistant Arizona Attorney General where she had represented the department on Indian gaming regulatory issues. Penny oversees the department's Administrative Division. Her areas of responsibility include budget/finance, procurement, facilities administration, fleet management, information technology, human resources, travel administration/claims, planning and support services, and processing of administrative hearings. Penny also works with the department's executive team regarding legal and policy issues affecting the department and Indian gaming.

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Penny became active in NAGRA in 1999. At NAGRA conferences and Board meetings, she is the person taking copious notes in her role as Secretary for the organization. She has also served as the co-chair of the NAGRA Indian Gaming Committee. In addition, Penny has been a conference speaker and facilitator of many conference sessions.

Penny attended the University of Nebraska on a Board of Regents Scholarship and graduated with honors. Once a Cornhusker, always a Cornhusker. Penny continued her education at the University of Nebraska College of Law. After

graduation, with diploma in hand, she decided she'd had enough of the cold, snowy Nebraska winters and moved to Arizona where the summers are hot but dry and the winters are mild. There, Penny was admitted to practice law in 1991. Penny was in private practice until 1997, when she left the law firm of O'Connor Cavanaugh to work at the Arizona Office of the Attorney General. In addition to her undergraduate and law degrees, she is a Certified Public Manager.

Penny is married to Jason, a fellow Nebraskan, and they have two daughters. Penny enjoys working at the Department of Gaming but values spending time with her family and participating in church and community activities.

Where Are They Now

John Jacobson — First NAGRA President

Hello to all my NAGRA friends. I was happy to be asked to give you all an update on where I am and what I am doing.

I am currently working at Thomson/West. This company is the largest publisher of print and electronic legal materials in the world and is located in Eagan, MN. My position as a Reference Attorney allows me to use my legal background and my computer skills to assist West subscribers with legal research. Actually, it is more fun than it sounds. Every task is different and challenging. I am involved with various 'teams' here that allow me to use my other skills.

My wife, Marlene, and I live in Bloomington, MN and are now empty nested. Our two girls are grown and gone. Julie, 25, has chosen the religious life and is now in Florence, Italy, with the Sisters of Mary Minor Immaculate. She has been with the Order for about 3 years now, the last 2 in Italy. We were able to go to Italy last March to visit her. Lots of little cars and people talking a foreign language. Jennifer, 22, is a senior at the University of North Dakota, home of the famous UND Fighting Sioux Hockey team, and my alma mater. She will be graduating, after 3 1/2 years, in December with a degree in Social Work. As you can see, both daughters take after me!

I spend my spare time working with my bonsai trees, a bit of golfing, working on the house and in the yard, hiking the

Superior Hiking Trail on the North Shore when I can, and dabbling in various business ventures. I love to hear from old friends so please let me know what you are up to. I can be reached by email at: jej@peoplepc.com ; by phone: 952-239-3135 (cell). Our address is: 10340 York Lane, Bloomington, MN 55431.



From left to right - Marlene, Julie, Jennifer and John Jacobson

Texas Benefits From Approving New Styles of Play Pull-tab Tickets

By: Donna Precure Rose, M.P.A., Special Projects Assistant, Charitable Bingo Operations Division, Texas Lottery Commission

On September 25, 2002, the Charitable Bingo Operations Division of the Texas Lottery Commission approved 34 new pull-tab bingo games for sale in Texas. The new games included a variety of styles of play as authorized by Title 16, Part 9, Chapter 402, § 402.554, of the Texas Administrative Code. Subsequent to the approval of the new pull-tabs, pull-tab sales in Texas increased significantly.

In Texas, pull-tabs can be sold only by organizations licensed to conduct charitable bingo and sold or redeemed only on the premises specified on the organization's bingo license, during the organization's licensed times, or during a required intermission between the bingo occasions of two licensed organizations. Pull-tabs were first authorized in Texas in 1984 and only the instant style of play pull-tabs were authorized by the rule. The instant pull-tabs and were required to have the letters B-I-N-G-O on the face in a conspicuous location and included only a bingo style format with play patterns concealed behind perforated window tabs. In 1998 the pull-tab rule was amended to eliminate the requirement that B-I-N-G-O appear on the face of the pull-tabs and allowed other types of play patterns.

Event-style pull-tabs were brought to the attention of the Charitable Bingo Operations Division (Division) by a representative of a charity conducting bingo in Houston. This individual had learned of a charity in California that was having success selling event-style pull-tab tickets at their bingo occasions. A year after hearing about this organization's success with event tickets, he had an occasion to visit with a representative of the charity and attend their bingo activities. The charity was selling \$30,000 to \$35,000 in event tickets in an eight-hour period to 200 to 250 players. The charity representative also shared marketing strategy for event tickets that he felt contributed to their success. This convinced the Houston charity representative that expanding the styles of pull-tab tickets offered for sale in Texas would benefit organizations conducting charitable bingo in Texas.

After talking to the representative of the Houston charity, Division management subsequently sent letters to manufacturers of pull-tabs licensed in Texas, asking them to provide the Division with information on all the styles of pull-tab games they manufactured. Unfortunately, no response was received from any of the manufacturers.

Later, other licensed conductor organizations raised the issue of event-style pull-tab tickets through the Bingo Advisory Committee (BAC). The BAC is a nine-member group that

advises the Texas Lottery Commission on the needs and problems of the state's bingo industry. The issue of expanding the types of pull-tabs that could be sold in Texas began to be considered in earnest at the November 2000 BAC meeting. Subsequent to this meeting it was discussed at almost every BAC meeting with more interest being expressed by representatives of charitable organizations and BAC members.

As a result of the interest of the charities and members of the BAC, the Division staff researched and analyzed all styles of pull-tab tickets prior to going through the rule-making process. Ultimately the rule was rewritten and adopted to be effective July 1, 2002, to include the following styles of pull-tab tickets:

- Sign-up Board
- Sign-up Board Ticket
- Tip Board
- Coin Board
- Coin Board Ticket
- Event Ticket
- Multiple-Part Event or Multiple-Part Instant Ticket

The staff felt that by authorizing the above styles of pull-tab games for sale in Texas, the options for increasing revenues would be expanded for the charities. Pull-tab sales subsequent to the initial approval of the new play styles of pull-tabs proved the staff was correct—sales increased significantly.

In addition to authorizing the above styles of pull-tab tickets for sale in Texas, the rule was written to be as comprehensive as possible to assist the Division in regulating the approval and sale of pull-tabs in Texas and to provide a comprehensive guideline of Texas requirements for pull-tab artwork design, payout structures, manufacturing requirements, sales and redemption requirements and records maintenance to manufacturers and licensed conductor organizations.

The pull-tab rule (Title 16, Part 9, Chapter 402, § 402.554, of the Texas Administrative Code) was adopted to be effective July 1, 2002. The approval process was designed so that each manufacturer could have tickets available for the Texas market at the same time.

Charitable bingo total gross receipts in Texas increased \$18,604,219 (3%) from 2002 to 2003. This was the first increase in total gross receipts since 1995, with the exception of a small increase of approximately one million dollars from 1998

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to 1999. The increase was the result of a \$40,771,712 (31%) increase in pull-tab ticket sales from 2002 to 2003. The increase in pull-tab sales was attributable to the new play styles of pull-tabs that were first approved for sales in Texas in September 2002.

Total gross receipts increased \$13,740,577 (9%) from the fourth quarter of 2003 to the first quarter of 2004. The increase was attributable primarily to a 17% increase in pull-tab sales during this period.

Total gross receipts declined \$9,420,358 (22%) from the first quarter of 2004 to the second quarter of 2004. During this same period pull-tab sales declined \$1,556,623 (4%). During this period regular sales declined 8%, electronic sales declined 5%, and pull-tab sales declined 4%. In Texas, quarterly statistics are consistently lower in the second quarter of each year than in the first, third and fourth quarters.

The Division continues to monitor sales in an attempt to determine whether the decline in pull-tab sales from the first quarter of 2004 to the second quarter of 2004 is indicative of the novelty of the new type of pull-tabs wearing off or just attributable to the historical second quarter decline.

Based on the success of expanding the styles of pull-tabs authorized for sale in Texas the bingo card/paper rule (Title 16, Part 9, Chapter 402, § 402.558, of the Texas Administrative Code) was rewritten to expand the types of paper and cards authorized for sale in Texas but the Division hasn't seen the same positive results in paper and card sales.

Note: All figures are as of 09/24/04 and are unaudited.

Texas Pull-tab Sales 1st Quarter 2002 through 2nd Quarter 2004

Quarter	Pull-tab Sales
1st Quarter 2002	\$22,911,956
2nd Quarter 2002	\$21,379,808
3rd Quarter 2002 *	\$20,196,614
4th Quarter 2002 **	\$24,508,738
1st Quarter 2003	\$29,852,222
2nd Quarter 2003	\$29,862,161
3rd Quarter 2003	\$33,855,138
4th Quarter 2003	\$36,199,307
1st Quarter 2004	\$43,472,592
2nd Quarter 2004	\$41,915,969

* New styles of play pull-tabs approved for sale in Texas

** First full quarter new styles of play pull-tab tickets sold in Texas

Join us in Halifax — June 12-15, 2005

Here are a few scenic shots to entice you to attend...



Investigators Committee

No report at this time

Casino/Electronic Gaming Committee

No report at this time

Policy Committee

By: Kevin P. Mullally, Chair, Policy Committee

The Committee is busy putting together their session for the conference for Halifax this coming spring. The presentation will be Community Regulation & Enforcement: The CORE Concept and the Importance of Communication in Investigations

This session explains how Community Oriented Regulation and Enforcement (CORE) can be used to efficiently and effectively carry out the regulatory mission. CORE is used to secure broad-based involvement in the problem solving process and to clearly convey expectations so that all relevant parties understand the regulatory goals, requirements and responsibilities. By

recognizing the importance of involving all interested parties in the regulatory process, CORE allows regulators to create an environment whereby diverse organizations and groups realize that they must pull together to address regulatory goals as well as address certain societal problems such as problem and underage gambling.

CORE also emphasizes the importance of problem solving skills. By encouraging “outside the box” thinking when analyzing problems, the parties are able to develop innovative approaches that may not always conform to industry standards.

Internet Gaming Committee

By: Mike Petersen, Chair, Internet Gaming Committee

The internet gaming committee is hard at work researching the latest happenings in the world of internet gaming. The pace is fast and furious with new developments breaking every minute. NOT! Except for some activity in Canada not much is happening in North America.

Oh sure, every now and then a state legislator will want to do something to stop the evil empire and my phone will ring with a regulator needing to know what other jurisdictions have done. But most internet gaming activity is happening outside of Canada and the United States. Europe and others parts of the world are busy understanding and using the internet in very creative ways.

The committee has been working on the NAGRA website with our management firm. A few of the things we have done: presentations from the San Antonio conference are available, board member pictures have been posted, and links to member sites are working.

At the next conference the Internet Gaming Committee hopes to conduct a breakout session with two agenda items: (1) “What is New in Internet Gaming” and (2) a discussion on more improvements to NAGRA’s website.

Committee Chairs

Casino/Electronic Gaming

Larry Eliason
South Dakota Commission on Gaming

Charitable Gaming

Phil Sanderson
Texas Lottery Commission

Simone Syrenne
Manitoba Gaming Control Commission

Indian Gaming

Norm DesRosiers
Viejas Tribal Gaming Commission

Internet Gaming

Michael Petersen
Michigan Lottery

Policy

Kevin Mullally
Missouri Gaming Commission

Investigators

Charles Devenney
Manitoba Gaming Control Commission

Aaron Wong
California Division of Gambling Control

Charitable Gaming Committee

By: Phil Sanderson and Simone Syrenne, Co-Chairs, Charitable Gaming Committee

The Charitable Gaming Committee is looking forward to putting together some interesting sessions for the conference in Halifax in June 2005.

We were certainly encouraged by the reviews we received from attendees at each breakout session in Texas. However, it makes it rather hard to offer something fresh and new when most attendees ask for more of the same after each session! So, we are planning to offer information on some exciting new initiatives such as Satellite or Linked Bingo, an in-depth discussion on raffles, as well as providing more 'exposés' in our ever-popular 'Charitable Gaming Audit/Fraud Case Studies' session.

Remember – we always welcome members' suggestions for conference topics, and we greatly appreciate volunteers for session moderators or speakers. The involvement we've had from NAGRA members has resulted in some great conferences! Halifax will be no exception and we look forward to seeing you all there!

Regional Update Information

NAGRA Canadian Update — November 2004

By: Rick Saville, Canadian Regional Director

Nova Scotia

Dennis Kerr advises that they looking forward to having the NAGRA conference in Halifax in June 2005 and are available to provide whatever assistance is required. The Atlantic Lottery Corporation (ALC), the agency responsible for conducting government lotteries for the Atlantic Provinces (Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland) introduced a program for the purchase of lottery products through the internet in August 2004.

Ontario

Ontario is currently looking at ways to rejuvenate charitable bingo and is considering involving the Ontario Lottery Corporation in the provision of electronic bingo gaming. The Canadian Gaming Summit is scheduled to be held at the Niagara Fallsview Casino Resort, March 7-9, 2005.

Manitoba

Simone Syrenne (Charitable Gaming Committee Chair) and Charles Deveney (Investigators Committee Co-chair) are actively putting their programs together

for the NAGRA Conference next June.

Saskatchewan

Two new casinos have been approved for the province. One is a First Nations casino about 20 miles from Saskatoon. The other is a government operated casino for Swift Current.

Alberta

Four new First Nations casinos and 2 new Charity Casinos are in various stages of approval for the province.

British Columbia

The BC Lottery Corporation (BCLC), the agency responsible for government lottery, casino and bingo gaming in the province introduced the sale of the "Sports Action" Lottery via the internet in October 2004. BC becomes the second Canadian jurisdiction to introduce "internet" gaming. Casino Gaming continues to expand with five new casino projects underway in the greater Vancouver area. BC is also introducing slot machine gaming into selected bingo halls and horse racing facilities around the province.

Charitable Bingo Operator Training Program

By: Donna Precure Rose, M.P.A., Special Projects Assistant, Charitable Bingo Operations Division, Texas Lottery Commission

In March 2000 the Charitable Bingo Operations Division of the Texas Lottery Commission implemented the Charitable Bingo Operator Training Program. The training program was mandated by the Legislature and is required to include training related to conducting, administering, operating and promoting charitable bingo in Texas.

All individuals designated as the “primary operator” or an “operator” by the licensed conductor organization are required to attend an Operator Training Program biannually. “Primary operators” and “operators” are the individuals who are responsible for an organization’s bingo activities. Other members of licensed conductor organizations are encouraged to attend the programs. All attendees are required to read the Bingo Enabling Act and Charitable Bingo Administrative Rules prior to attending a training program.

Each training program is divided into six sections as follows:

Introduction & general information

Covers a brief history of bingo in Texas, an overview of the Charitable Bingo Operations Division, the scope of bingo in Texas, information available from the Charitable Bingo Operations Division and an overview of the Bingo Advisory Committee.

Conducting a bingo game

Explains who, when and where bingo can be conducted, and provides information about bingo bank accounts, bingo personnel, operator’s responsibilities, frequency and times of games, and restrictions on conducting bingo games.

Record-keeping requirements

Covers the preparation of all recommended forms for the accounting of all funds from the conduct of bingo, preparation of the quarterly reports and includes a practice exercise.

Administration and operation of a bingo game

Describes rent and rent relationships, affiliated organizations, common mistakes on license applications, charitable distribution requirements and how to maximize charitable distributions, inventory controls, bingo expenses and records retention.

Promoting bingo games

Suggests ideas for increasing attendance and attracting new players, including ideas about where and how to advertise bingo games, door prizes, hall themes and marketing the bingo hall.

IRS Presentations

IRS representatives frequently make presentations at operator training programs regarding tax on unrelated business income

for exempt organizations specific to pull-tabs and the preparation and filing requirements of 990 forms. They also respond to questions attendees have on other issues.

Question-and-answer session

Gives participants a chance to ask questions on program topics. Programs are conducted throughout the year across the state. Surveys are distributed to attendees at the training programs. One question on the survey asks, “Do you think the operator training program was worthwhile?” The following chart is a summary of attendance, number of attendees completing the survey and percentage of attendees who found the training program worthwhile, by fiscal year.

We are very pleased with the percentage of attendees that think the operator training program is worthwhile, especially considering that not all training programs can be offered on Saturday, which may be inconvenient for individuals who work. Each class consists of eight hours of training, and many attendees must drive some distance to attend training programs.

We believe the following strategies contribute significantly to the high percentage of attendees who consider the training worthwhile:

- Keeping the program current
- Making portions of the program interactive
- Utilizing a PowerPoint presentation that is relevant to the topic being discussed and is visually appealing
- Incorporating a question-and-answer session into each training program
- Having employees conducting the training program who have good presentation, communication and people skills, take the time to listen to what the attendees have to say, answer any questions posed by those attending accurately and completely, are dedicated to continually improving their presentation skills, and encourage those attending to participate in the program.

There has been a decrease in the number of audit violations cited since the inception of the Charitable Bingo Operator Training Program. In Fiscal Year 2000, 81.9 percent of audits contained violations. In Fiscal Year 2003 that number dropped to 71 percent, resulting in a 13 percent decline in violations.

The Division takes the responsibility of educating licensees seriously, and the training program is an important component of that process. We are currently exploring ways to make the training program more convenient and cost-effective for licensees that includes but is not limited to online interactive training or making the training program available on a CD.

Welcome New NAGRA Members

NAGRA is pleased to welcome two new associate members and five new regular members to the association. We are thankful for their support and are happy to have them as a valuable part of the association. NAGRA will continue to grow and thrive. The greater our numbers, the greater value we will be able to provide to our members!

The Board of Directors and membership of the organization approved the applications of the following associate members during the conference in San Antonio:

- Electronic Bingo Manufacturers Association
- Nick Farley & Associates

Through the first part of 2004, NAGRA has also welcomed the following regular members:

- Louisiana Department of Justice Gaming Division
- Massachusetts State Lottery Commission
- New Jersey Legalized Games of Chance Control
- Pala Gaming Commission
- Yakama Nation

Please join us in welcoming these new members!

Customer Service Ratings in Texas, 2000-2003

By: Donna Precure Rose, M.P.A., Special Projects Assistant, Charitable Bingo Operations Division, Texas Lottery Commission

Providing high levels of customer service in the public sector is often more challenging than in the private sector. The constraints imposed by legislation and administrative rules often place limitations on the flexibility afforded management and staff in assisting public-sector customers in solving problems. Public-sector customers are often disenchanted early on in the process of interacting with a government agency due to the issues of understanding statutes and rules and the forms and paper work that are often inherent components of the prescribed procedures of a government agency.

In 2000, the Charitable Bingo Operations Division (Division) of the Texas Lottery Commission began surveying the opinions of conductor licensees regarding the quality of customer service they receive from the Charitable Bingo Operations

Division. The surveys are distributed at statutorily required Operator Training Programs conducted throughout the state. In September 2001 the Division began distributing surveys to participants in Assessment and Assistance Inspections conducted by staff from the Audit Services Section of the Division.

Surveys conducted at the Operator Training Programs and Assessment and Assistance Inspections include the question, "How would you rate the quality of service you receive from the Charitable Bingo Operations Division?" Response categories are: "Excellent," "Good," "Fair," and "Poor." Participants in Operator Training Programs are handed a survey to complete and turn in at the end of the program. Participants in Assessment and Assistance Inspections are given a survey on a self-addressed,

postage-paid post card to complete and mail. All survey responses are designed to be anonymous. The chart on the following page gives the responses to the surveys from 2000 through 2003.

While we are pleased with the percentage of respondents who consider the quality of customer service they receive from the Division to be "Excellent" or "Good," we are concerned that so few participants in the Assessment and Assistance Inspections return the survey card. In an effort to increase the response rate of participants in the Assessment and Assistance Inspections, we have asked the audit staff conducting the inspections to encourage participants to return the survey card and to assure participants that survey responses are anonymous.

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In addition, articles were included in the July/August/September 2004 and the January/February/March 2003 issues of the Bingo Bulletin, the quarterly newsletter produced by the Division and distributed to all licensees, encouraging participants to complete and return the survey. The articles included a graphical image of the survey card as a visual reminder. Note: The Bingo Bulletins can be viewed on our Web site at www.txbingo.org under Publications.

Division management believes the performance and attitude of its staff directly impacts the attitude of its customers toward the agency. The staff provides assistance to licensees relative to licensing, accounting, and audit issues. To ensure we are providing outstanding customer service the staff is provided with ongoing training opportunities. Management maintains an open-door policy to encourage the staff to make suggestions for improvement and to facilitate problem-solving, which translates into improved customer service. The Division has experienced low staff turnover for the past several years which contributes to quality customer service by providing an experienced and dedicated staff that recognizes the benefits of providing quality customer service.

The implementation of a negotiated rule-making process has created an

environment in which customers are more likely to buy into the rules on the front end because they had the opportunity to contribute to the process.

The staff of the Division was asked what they do to ensure they are providing good customer service. The following are two responses to that question:

From an auditor in a regional office: “The most important part of our customer service is being available and accessible. It is also important that customers know that when we don’t answer the phone immediately, we will be returning their calls in a timely manner. To ensure all information we provide is accurate, all sections of the Division work together as a team assisting each other, which enables us to respond to our customers with timely and accurate information. If I don’t know the correct answer, I know where to go to find out. This teamwork is one of our best business assets.”

From a regional audit coordinator: “I think in many instances our customers initially think we, as auditors, are or have the potential to be pretentious. Once the customer determines either by style or personality that our goal is to be helpful to them and to help them come into compliance, give them suggestions for a better way of doing things, and help address their problems and concerns, they are generally appreciative of us and our processes. Also, due to the many contacts we have with our customers through

Assessment and Assistance Inspections, audits, Books and Records Inspections, and Operator Training Programs, most of our customers (licensees) know us, often on a first name basis. In short, we build good working relationships with our clients which are reflected in the customer service ratings.”

The Division reduces unnecessary procedures, uses technology to provide better, faster, and less cumbersome service, solicits input from customers, and makes changes based on that input, whenever possible. The staff of the Division recognizes that by working effectively as a team they not only provide high quality service directly to customers but assist and support each other in daily work routines which ultimately results in providing top quality customer service. To sum it up—we may be a bureaucracy, but we try not to act like it. However, if we do have to act like a bureaucracy, we try to make it as pleasant as possible for our customers.

Although the importance of providing quality customer service is ingrained in the culture of the Division, we recognize that above all else we are a regulatory agency, and we take that responsibility seriously. When necessary, we take administrative action against those who may violate the Bingo Enabling Act and Charitable Bingo Administrative Rules, as well as making criminal referrals if warranted.

Year	Number Surveyed, Operator Training Program	Number Responding Operator Training Program	Number Surveyed, Assessment and Assistance Inspections	Number Responding, Assessment and Assistance Inspections	Percent Responding “Excellent” or “Good”
2000	1,235	1,080	NA	NA	94%
2001	933	795	243	46	96%
2002	1,841	1,499	457	174	95%
2003	1,446	1,232	555	92	96%