

**CITY OF ROCHESTER
REVIEW OF BINGO ORGANIZATIONS**

**Office of Public Integrity
Date: June 23, 2014**

I. EXECUTIVE SUMMARY

In this review the Office of Public Integrity (OPI) assessed the validity of financial information reported to the City of Rochester and compliance with applicable regulations by organizations conducting bingo games. We selected for examination three of the six organizations that currently conduct bingo games in the City of Rochester. Additionally, we performed an analysis of rent collected by the Bingo Palace for calendar year 2013 to ensure the City received the required 3% fee from this type of revenue.

The results of the review indicate general compliance with regulations and reported transactions appear accurate and reliable.

II. BACKGROUND, OBJECTIVES, AND SCOPE

A. Assignment

The Office of Public Integrity routinely examines the detail records of a selection of various organizations licensed by the City of Rochester to conduct bingo games. The work plan for the current fiscal year includes the examination of three of these organizations. As part of this review, we included an analysis of rent revenue reported to the City by the Bingo Palace.

B. Background

The City of Rochester currently authorizes six organizations to conduct bingo games in the City. Each organization plays at least once weekly for a total of nine weekly bingo game occasions, and uses the net proceeds from the games to benefit community-based activities.

State law and City Code strictly regulate all aspects of bingo including bookkeeping requirements and maintenance, record retention, allowable and unallowable expenditures, required amounts of charitable donations, reporting requirements, and game play procedures.

For the calendar year ended December 31, 2013, the City collected \$9,665 in net revenue from bingo licensing fees.

C. Objectives and Scope

The objectives of this review were to determine the validity of reported financial information and to verify compliance with applicable regulations.

The Office of Public Integrity randomly selected three organizations for an

examination of reported transactions for all games played during the calendar year ended December 31, 2013. We judgmentally selected a sample of expenditures from the organizations for testing and determined the validity of each selected transaction.

OPI also performed site inspections for each of these organizations while they conducted bingo games. The organizations are:

Talmudical Institute Ladies Organization (TILO)
Derech HaTorah of Rochester
St. Stanislaus Church

We completed an analysis of all 2013 rent revenue reported by TILO, the organization who operates the Bingo Palace facility, to ensure they properly submitted to the City 3% of the net profit related to this rent revenue.

III. RESULTS OF REVIEW

The results of the review indicate the organizations generally comply with State and local bingo regulations, and reported transactions appear accurate and reliable.

IV. CONCLUSION

The validity of the reported transactions for the organizations tested appears reasonable. Based on these results, the Office of Public Integrity does not consider any further testing necessary.