

## Dickson, Brandy EMNG:EX

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**From:** Paul Mullen <paulmullen@bcsoccer.net>  
**Sent:** Tuesday, October 16, 2012 1:01 PM  
**To:** Scaiano, Tanya C EMNG:EX  
**Cc:** Paige Meadows; Bjorn Osieck  
**Subject:** RE: Draft Report attached.

Thanks Tanya. Much appreciated.

We will coordinate a response by the date highlighted for your consideration.

Paul

**Paul Mullen**  
**Director of Operations**

**British Columbia Soccer Association**  
Suite 510 – 375 Water Street, Vancouver, BC V6B 5C6  
Phone: 604-299-6401 ext 2355 Fax: 604-299-9610  
Cell: 604-317-9451  
Web: [www.bcsoccer.net](http://www.bcsoccer.net)



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**From:** Scaiano, Tanya C MEM:EX [<mailto:Tanya.Scaiano@gov.bc.ca>]  
**Sent:** Monday, October 15, 2012 9:42 AM  
**To:** Paige Meadows; Paul Mullen  
**Subject:** Draft Report attached.  
**Importance:** High

Please pass this report on to your board VP/Treasurer/Chair, etc. Thanks.

Dear Paige and Paul – I do remember on site I asked about the one finding within this report (location of draw). You had stated that Victoria is aware of this. Please document and explain reasoning for the draw being held in the downstairs room and we will get this finding cleared up. Thanks for all your help – it was a pleasure meeting both of you – good luck with all your future endeavours!

Tanya

We have completed a preliminary compliance audit of your organization. Our draft report is enclosed for your information.

The organization is requested to provide comments about the draft report to the auditor **October 24, 2012**. Your response should indicate if you understand the issues as presented and whether you agree or disagree with them. You should also describe how you plan to correct each issue, e.g.: “Our [*Title, Name of Person*] will ensure that [*corrective action*] will be taken by [*time frame*] for issue [*number*].”

If the organization is unable to provide this information to the auditor within the required time frame, then an appropriate response must be sent within 60 days of the final report, to the Director, Licensing and Grants Branch, Gaming Policy and Enforcement Division, P.O. Box 9310 Stn. Prov. Govt., Victoria, BC V8W 9N1.

Please contact me if you have any questions regarding the audit report. Thank you for your cooperation.

Gaming regulation, procedures, conditions, documents and application forms are available at <http://www.hsd.gov.bc.ca/gaming/>.

Sincerely,

Tanya Scaiano  
Audit and Compliance  
604-660-5283

Enclosure

**Tanya Scaiano, Charitable Gaming Auditor**

Audit & Compliance Division | Gaming Policy and Enforcement Branch  
Ministry of Public Safety and Solicitor General  
22-4370 Dominion Street, Burnaby BC V5G 4L7  
T 604.660-5283 | F 604.660.0267  
[tanya.scaiano@gov.bc.ca](mailto:tanya.scaiano@gov.bc.ca)

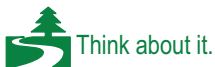
*Know your limit, play within it.*



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Audit & Compliance Division | Gaming Policy and Enforcement Branch  
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22-4370 Dominion Street, Burnaby BC V5G 4L7  
T 604.660-5283 | F 604.660.0267  
[tanya.scaiano@gov.bc.ca](mailto:tanya.scaiano@gov.bc.ca)

*Know your limit, play within it.*



<b>Gaming Policy and Enforcement Branch</b> <b>Charitable Gaming Audit and Compliance</b> <b>REPORT OF COMPLIANCE AUDIT FINDINGS</b>					<b>Date:</b>	Sep 10/2012
					<b>Prepared By:</b>	Auditor
					<b>Reviewed By:</b>	Reviewer
<b>Org #:</b>	106468	<b>Char #:</b>	7036	<b>Period Reviewed:</b>	April 1/2011 to April 30/2012	
<b>Organization:</b>	BC Soccer Association					
<b>Review Category:</b>	Disbursement Testing					
<b>Sector:</b>	Human and Social Services					
<b>Gaming Access:</b>	Community Gaming Grant, Licensed Gaming “B” Raffles, Special One-Time Grant					
<b>Scope:</b>	Review of Disbursements and Financial Control Requirements					

<b>Gaming Activity</b>	<b>April 1/11 to March 31/12</b>		<b>April 1/12 to April 30/12</b>
	<b>Per GASR</b>	<b>As Audited</b>	<b>As Audited</b>
Opening Balance			s.21
Revenue:			
Community Gaming Grant	250,000.00	250,000.00	
Special One Time Grant	10,000.00	10,000.00	
Playground Grant			
Major Capital Grant			
Licensed Gaming			
Interest/GST Rebate			
Gaming Donations			
Transfers/Other Income			
Total Revenue:			
Disbursements:			
Prize Costs			
Event Related Expenses			
Charitable Disbursements			s.21
Total Disbursements:			
Closing Balance			
Method of Reporting: Accrual			
Total Receipts Audited:			
Total Disbursements Audited:			

*This report is the property of the Audit and Compliance Division of Gaming Policy and Enforcement Branch and is not intended for use or circulation beyond specified recipients without the permission of the Director of Audit and Compliance, Gaming Policy and Enforcement Branch. The audit is limited to the evaluation of compliance with Branch policies and procedures and the findings express no opinion on the financial statements. The findings in our final report may set forth instances of non-compliance with the Gaming Control Act, Regulation, and/or other Branch policy documents. While instances of non-compliance may jeopardize ongoing eligibility for gaming access, eligibility is determined solely by the Licensing and Grants Division, which will receive a copy of this report.*

### **Audit Findings**

For the period reviewed, we did not identify any instances of non-compliance.

### **Recommendations for Compliance Enhancement**

No recommendations at this time.

<b>Gaming Policy and Enforcement Branch</b> <b>Charitable Gaming Audit and Compliance</b> <b>REPORT OF COMPLIANCE AUDIT FINDINGS</b> <b>GAMING EVENT REVIEW</b>		<b>Date:</b>	October 31, 2012
		<b>Prepared By:</b>	Auditor
		<b>Reviewed By:</b>	Reviewer
<b>Licensee: BC Soccer Association</b>			
<b>Org #: 106468</b>	<b>Char #: 7157</b>	<b>Date of Review:</b> October 3/2012	
<b>Type of Review:</b> Event Review		<b>Licence #:</b> 42086	
<b>Type of Gaming Access:</b> Licensed Gaming – Class A, Major, Percentage Draw			
<b>Sector:</b> Arts Culture and Sport			

Gross Sales	\$	9,915.00
Total Cost of Prizes	\$	4,957.50
Donated Prizes	\$	-
Total Net of Prizes	\$	4,957.50

### **Audit Findings**

For the date reviewed, we identified the following instances of non-compliance:

1. The draw was not at a venue that was open to all ticket holders. Section 12 of the *Standard Procedures for Ticket Raffles* states, in part, “All draws must be open to all ticket holders, who shall be entitled to be present at the draw without additional charge.”

### **Recommendations for Compliance Enhancement**

Based on our findings, we recommend that the organization implement the following corrective actions:

1. Ensure that the draw is held at a venue that is open to all ticket holders who are entitled to be present at the draw without additional charge.

### **Organization Response**

The organization responded to the report on October 23, 2012. The organization is in the process of determining the steps necessary to change the venue of the draw. A copy of the response is attached.

## Dickson, Brandy EMNG:EX

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**From:** Paul Mullen <paulmullen@bcsoccer.net>  
**Sent:** Tuesday, October 23, 2012 3:10 PM  
**To:** Scaiano, Tanya C EMNG:EX  
**Cc:** Paige Meadows; Bjorn Osieck; 'applebysoccer@gmail.com' (applebysoccer@gmail.com)  
**Subject:** Report of Compliance Audit Findings – Gaming Event Review / BC Soccer Association License #42086  
**Attachments:** Audit Findings Response Oct 2012.doc

Tanya,

Good afternoon, hope that you are well.

Please find attached the formal response to your email of 15<sup>th</sup> October 2012.

This response has been approved for release to you by our President and VP Finance Chris Appleby, whom you met in the night of the audit and who I have copied on this email.

We look forward to hearing from you in the near future.

Kind regards,

Paul

PS: If you require a scanned copy with signature of Chris then I can provide this later in the week.

**Paul Mullen**  
**Director of Operations**

**British Columbia Soccer Association**  
Suite 510 – 375 Water Street, Vancouver, BC V6B 5C6  
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23<sup>rd</sup> October 2012

Tanya Scaiano, Charitable Gaming Auditor  
Audit & Compliance Division,  
Gaming Policy and Enforcement Branch  
Ministry of Public Safety and Solicitor General  
22-4370 Dominion Street, Burnaby  
BC, V5G 4L7

Dear Tanya

**Re: Report of Compliance Audit Findings – Gaming Event Review  
BC Soccer Association License #42086**

We have completed this response based on your preliminary compliance audit report of the activity on 3 October 2012 at the Vancouver Whitecaps v Chivas USA, Major League Soccer (MLS) match. As per your instructions, listed below are details of the instance of non-compliance that you identified, our acknowledgment and how and when we would plan to implement a corrective action.

**Extract from Gaming Policy and Enforcement Branch Audit Findings – 10<sup>th</sup> October 2012**

*For the date reviewed, we identified the following instances of non-compliance:*

*1. The draw was not at a venue that was open to all ticket holders. Section 12 of the Standard Procedures for Ticket Raffles states, in part, “All draws must be open to all ticket holders, who shall be entitled to be present at the draw without additional charge.”*

**Background**

The 50/50 programme that BC Soccer operates is done so in partnership with the Vancouver Whitecaps. BC Soccer is the license holder for this activity and the Vancouver Whitecaps FC provide the opportunity for the activity to take place at the home games of the men’s professional team at BC Place.

Both organisations acknowledge and understand the issue and notification of non-compliance in relation to Section 12.1 of the Standard Procedures for Ticket Raffles. We agree with the finding as the area that we currently designate for where the draw takes place is not open to all ticket holders.

Currently the location of where we undertake the selecting of prize winners/ticket draw is the operational office of the 50/50 programme. This location is only accessible to relevant match day working staff that have appropriate accreditation. The office also has match day security staff outside this area and is lockable.

This location was chosen specifically with security in mind due to the amount of cash and tickets being handled during the process, (compared to the electronic 'tablet' based ticketless operation that other organisations have started to implement). In addition this location is one which provides us with the most efficient way of implementing our operational plans. This ensures that the winning tickets are publicly announced, and that there is adequate time built in for a winner to come forward (or if not for second winning ticket to be announced as we have been advised previously by Gaming Policy and Enforcement Branch, how important it is to attempt to get a winner on the night).

The draw itself is conducted in a location and environment where there may be many accredited people present at any one time hence always ensuring that it is 'public'. Details of the person(s) making the draw are captured and recorded in line with Gaming Policy and Enforcement Branch requirements.

It is worth noting that any recommendation that we make in terms of complying with the issue and notification of non-compliance and having the draw in a public place and location open to all ticketholders, will likely make no difference to who will actually view it. The draw would take place in the second half when fans are watching the game and unlikely to leave to attend it.

By way of interest, whilst we have continually looked to modify and enhance the operational procedures for all aspects of our 50/50 programme, in many cases based on feedback from ticket purchasers. To date we don't believe that we have received any public concerns over access to the draw itself.

### **Recommendation**

Based on BC Soccer and Vancouver Whitecaps FC review of this instance of non-compliance that has been identified, and taking into account our operational and security plans, we are very willing to work with Gaming Policy and Enforcement Branch to ensure compliance.

We feel that due to the nature of the operational challenges and nature of the game of soccer, we would ideally like to recommend pursuing the matter during the off-season to see if a suitable solution can be agreed for all concerned.

If that is not possible, then we recommend that corrective action is implemented at the commencement of the next home game of the Vancouver Whitecaps. *(Depending on the success of the team in the MLS play-offs, this game may take place as early as 4<sup>th</sup> November 2012 or may not take place until the start of the new season in March 2013).*

If this takes place in November 2012, then Paul Mullen, Director of Operations will take responsibility to ensure that our proposal for correcting this action is implemented. If this is not until March 2013, then if BC Soccer is still the license holder for this 50/50 programme then the same person will take responsibility for its implementation.

Specifically, we plan to incorporate into our operational plans that the ticket draw takes place at the Guest Services Desk at section 227 of the stadium concourse. This is a very public area and open to all ticket holders prior to and during the event.

BC Soccer and the Vancouver Whitecaps fully understand the issue of non-compliance. We hope that our acknowledgement, recommendation on how to rectify it, continued cooperation, willingness to embrace improvement and compliance in all other areas of the audit are acknowledged and appreciated by the Gaming Policy and Enforcement Branch. We value the guidance and advice that has been provided through this audit process and look forward to hearing your feedback on discussing the matter during the off-season so that we can obtain a satisfactory solution for all concerned.

We look forward to working with you in the future.

If you have any further concerns or questions, please do not hesitate to contact me at any time.

Kind regards,

**Chris Appleby**

**Vice President Finance, BC Soccer**

CC: Roger Barnes – President, BC Soccer  
Bjorn Osieck – Executive Director, BC Soccer  
Paul Mullen – Director of Operations, BC Soccer  
Paige Meadows – Finance Manager, BC Soccer  
Jamie Levchuck – Director of Events, Vancouver Whitecaps FC