

VIRGINIA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES
OFFICE OF CHARITABLE AND REGULATORY PROGRAMS
BINGO SESSION INTERACTIVE ANALYSIS TOOL INSTRUCTIONS

OVERVIEW:

This tool is designed to assist organizations in identifying their strengths and weaknesses in their bingo sessions. This interactive tool will provide financial insight into each permitted session specific to the day of week/time of the session. For instance, if your organization games Monday morning and Wednesday afternoon, you would enter all Monday morning sessions in the first section of the workbook and Wednesday afternoon sessions in the second section of the workbook, etc. This purpose is to identify which sessions need to be restructured, and offers suggestions on the options for making adjustments to potentially increase game profits.

SESSION RECONCILIATION SUMMARY:

Organizations should use current Session Reconciliations Summary (Form 103) to input into the first tab of this Excel workbook. It is recommended that organizations use a minimum of 4 sessions to develop the information generated for the analysis. You can enter as many sessions as you would like, however, the more data used, the more meaningful the analysis.

Using the session reconciliation summaries (Form 103), enter the data from each session gamed. Columns A thru X mimic the session reconciliation (Form 103) – note that column L is for bingo progressive prize payouts. This amount should be the prizes paid out for all progressive bingo games – both as a consolation prize and/or the progressive award for that session. After you have entered the data as detailed on your session reconciliation (Form 103), there are additional columns for data that may pertain to your game sessions. Column Y is for the rent paid to a landlord for the session; columns Z, AA, and AB are for payments made to a certified bingo manager, certified bingo caller, and for security at the game session; if your session includes electronic bingo devices, the rent on these devices is entered in column AC, column AD is for the total of the consolation progressive game prizes awarded (do not include the progressive payout if one is awarded) and column AE is for the additions (if applicable) made to the progressive bingo games (this is a total of the additions found at the information section on page 2 of the session reconciliation Form 103).

Once all data is entered, the interactive analysis tool will reflect the profitability of your bingo games – both by session gamed and in total.

INTERACTIVE ANALYSIS TOOL:

On this worksheet, the first section will provide a **BREAK EVEN POINT ANALYSIS**.

This analysis provides information to organizations so the organization can determine what types of changes they can make to increase the profit from bingo. Note: if the organization does not make any changes, they cannot meet the minimum use of proceeds requirement of 10% (of gross receipts). By not meeting the minimum requirement, organizations may jeopardize their permit.

In order to evaluate what changes the organization may wish to make, the following data is available from this section:

Line 1 shows the current average player attendance. Over the sessions you entered on the reconciliations, this is the average number of players you had in attendance at each session.

If the organization wants to expand their marketing efforts, **Line 2** will show the number of additional players needed if no other changes are made. Marketing efforts can include: advertising in media (in addition to current advertising), flyers, posters, etc. Organizations may also want to include social media such as including their web site and/or face book page on their game program, capturing email addresses from their players and providing email blasts to the players each week. Update your social media profile, such as Facebook, Twitter or website to include information regarding your bingo game, what your organization is doing, highlights of uses of gaming funds. Use the prize payout receipts to develop a database to include players' names and addresses send postcards (or letters) to invite them back, notify them of specials, etc. Be sure that you follow the regulations in relation to your marketing efforts. Document your marketing efforts with type of marketing, date, length of time using this method, and analysis of results. Use your imagination. You want to market in order to bring in new players, not just to attract existing players from other venues (these players may return to the other venue and you are back to where you started).

If the organization is considering an increase their paper prices, **Line 3** shows the total average amount each player must spend per session. This is an increase in the paper purchase only, with instant spending remaining at the same level. Some ways to increase paper receipts includes increasing the pack purchase price, eliminating some free paper given as part of the admission pack purchase and charge for this paper separately, adding games that must be purchased separately, using large face paper and charging more per sheet (for instance instead of selling a 3 face sheet for \$1, sell a 9 face sheet for \$3). Document what changes you make, date of change, what the results were, and how long you tracked the results of this change.

Before an organization decides to increase their gross receipts and/or reduce game prizes, consider having your players provide input through the use of a questionnaire. You can ask questions such as: What is the most important consideration to coming to your game? Would they rather see an increase in pack purchase price or see fewer games played? Evaluate their responses and let the players know the results and what you intend to change. Also tell them how long the change will last and ask they evaluate the change and give you their opinions. Then do a second questionnaire to capture their opinions.

Line 4 shows the amount of increase in instant ticket sales. This amount is first reduced by the payout structure of instant deals, then the profit would be available to the organization to increase the funds available for use of proceeds. Suggestions to increase ticket sales are to push instants. Organizations may want to devote more volunteers to selling instant tickets. When a bingo player wins a program prize, or an instant player wins the seal prize of a deal, volunteers should identify the winner and ask them to purchase instant tickets. Another way to increase the profit from instant deals is to identify deals that net more profit to the organization. Document what changes you make, the date of the change, what the results were and how long you track the results of the change.

Line 5 shows the amount (per session) of expenses that must be reduced in order to have more funds available to meet the use of proceeds requirement. Reduction of expenses can include: reducing the number of bingo games played on the program, reducing the prize payout for some of the bingo games on the program, reduction of food and non-alcohol beverages provided to the volunteers, reduce the fees for bingo caller, bingo manager, and/or security. Compare the cost of paper and instant deals among the registered suppliers, look at alternative spaces to lease, cut costs of advertising, copies, postage (file on line), etc. Organizations should institute controls so that their game session shortages are minimal.

The next section is **PLAYER PURCHASE ANALYSIS**. This section reflects the total number of players at the game session(s), the current average spent per player on the purchase of paper, the current average spent per player on instant tickets, and the current average spent per player on treasure chest paper. If the organization considers increasing the paper purchases, this information will be helpful to see if the players are increasing the paper purchase or changing their spending habits.

The section titled **“BINGO SESSION ACTIVITIES”** reports the cumulative amounts per the session reconciliations. This section identifies the profit from each section of the game activity. The organization can see what the actual profit currently generated from paper sales, instant sales, and raffle/treasure chest sales. A percentage is also detailed.

The amounts noted from Miscellaneous Sales, food for volunteers, and the overage/shortages are identified in this section.

The section titled **“OVERHEAD EXPENSES”** identifies the overhead expenses generally incurred because there is a bingo session. Your actual expenses may change depending on the organization’s gaming expenses. This section shows actual dollars spent per expense as well as an average of some expenses (such as payments to registered suppliers since most organizations purchase supplies that cover more than one session).

The last section titled **“CASH AVAILABLE FOR USE OF PROCEEDS”** is the overall picture for the organization’s gross receipts, total payouts, total overhead for each session. This calculates the profit available for use of proceeds and the percentage of this profit. The last lines identify the amount of profit that is needed in order to meet the minimum use of proceeds requirement.

FINANCIAL POSITION SESSION TOOL:

This last set of tabs is line graphs of the data gathered. There is a graph for each session day/time gamed. The graph shows receipts, expenses (fixed and variable), net receipts available for UOP, and the target UOP. By reviewing the graph, the organization can look for patterns of which parts of the gaming cycle the receipts are low, the expenses are high (as compared to the receipts) and the cash available for use of proceeds is not sufficient to meet the minimum requirement. Looking at trends may assist the organization on deciding how to change their game session in order to generate more profit which in turn can be used for their organization’s benefit (use of proceeds).

DISCLAIMER:

The Bingo Session Interactive Analysis Tool is designed to illustrate financial information to the user as it pertains to a bingo session, based on the user’s input of data. The data entered into the tool and any conclusion drawn from the information provided by tool is the sole responsibility of the user and the Department specifically disclaims any liability for the use of the Bingo Session Interactive Analysis Tool or the conclusions drawn from the use of the Bingo Session Interactive Analysis Tool. The Bingo Session Interactive Analysis Tool is for educational purposes only and should be used as such. It cannot predict with accuracy how a game will be used or its profitability. **THE DEPARTMENT DOES NOT MAKE ANY WARRANTIES CONCERNING THE USE OF BINGO SESSION INTERACTIVE ANALYSIS TOOL, AND SPECIFICALLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED.**