



CHAMPIONING BETTER GOVERNMENT PERFORMANCE

# OSIG NEWS

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## OSIG MAKES RECOMMENDATIONS ABOUT CHARITABLE GAMING IN VIRGINIA

Charitable gaming should remain with the Virginia Department of Agriculture and Consumer Services. The General Assembly should change the Charitable Gaming Board from a policy board to an advisory board. In doing so, the General Assembly should also transfer authority for regulating charitable gaming from the Board to the Office of Charitable and Regulatory Programs under VDACS. Those of some of the recommendations made by the Office of the State Inspector General after conducting a special review of charitable gaming in the Commonwealth. The General Assembly requested that OSIG, with the assistance of the Office of Charitable and Regulatory Programs, review the regulatory structure of charitable gaming in the Commonwealth in HB1800 Line Item 105D1.

“Some of the areas OSIG reviewed included the structure of the Charitable Gaming Board, the net revenue dedicated to charitable activities and whether regulation of charitable gaming would be more appropriately vested with the Virginia Lottery,” said State Inspector General Michael C. Westfall. “OSIG found that Lottery is standing up significant new regulatory responsibilities with sports betting and land-based casinos and does not have an existing knowledge base to also take over charitable gaming.”

Among OSIG’s other recommendations found in OSIG’s [Regulatory Structure Review of Charitable Gaming in Virginia](#):

- Update the *Code of Virginia* to address conflicts of interest and provide needed consistency between types of charitable gaming activities.
- Update the *Code* to provide VDACS the authority to deny, suspend or revoke permits.
- Update the *Code* to regulate the owner, lessor or lessee role within charitable gaming.
- Have VDACS reevaluate staffing levels after the impacts to the changes to the *Code* and regulations have been implemented to ensure proper oversight and enforcement statewide.

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Established in 2012, the Virginia Office of the State Inspector General manages the State Fraud, Waste and Abuse Hotline; conducts investigations and performance audits of state agencies; provides training and standards for the commonwealth’s internal audit programs; and conducts inspections and reviews of Virginia Department of Behavioral Health and Developmental Services-run facilities and programs.