



DAVE YOST

OHIO ATTORNEY GENERAL

Charitable Law Section
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SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT is made by and between Benevolent and Protective Order of the Elks, Lodge No. 177 ("BPOE #177"), located at 416 Park Avenue, Ironton, Ohio 45638 and the Attorney General of Ohio ("Attorney General"), for the purpose of resolving issues regarding BPOE #177's charitable bingo operations. Together, the Attorney General and BPOE #177 are referred to hereinafter as "the parties."

1. The Attorney General is responsible for the administration and enforcement of Ohio Revised Code Section 2915 ("ORC 2915 *et seq.*"), and the Ohio Administrative Code rules adopted thereunder, which regulate the conduct of charitable bingo in the State of Ohio.
2. The Attorney General is responsible for the enforcement of Ohio Revised Code Section 1716 ("ORC 1716 *et seq.*"), and the Ohio Administrative Code rules adopted thereunder, which requires, among other things, that every charitable organization, unless exempt, who intends to solicit contributions in this state by any means or have contributions solicited in this state on its behalf by any person or entity, prior to engaging in any solicitation, shall file a registration statement and other documentation with the Attorney General.
3. The Attorney General is responsible for the enforcement of Ohio Revised Code Section 109 ("ORC 109.23-33"), and the Ohio Administrative Code rules adopted thereunder, and, in particular, ORC 109.24, which reads, "[t]he Attorney General shall institute and prosecute a proper action to enforce the performance of any charitable trust and to restrain the abuse of it".
4. The Attorney General has authority to refuse to grant a bingo license to an organization, may revoke or suspend the organization's license, or may place limits, restrictions, or probationary conditions on the organization's license for a limited or indefinite period.
5. BPOE #177 is a 501(c)(8) tax exempt organization with the Internal Revenue Service ("IRS"). BPOE #177 is registered with the Attorney General as required under ORC Sections 1716 and 109.
6. BPOE #177 has held a Type III paper instant charitable bingo license # 0200-48 since 2019 and an electronic instant charitable bingo license since 2022. Since January 22, 2025, BPOE #177 is conducting Type III paper and electronic instant bingo through a temporary license.

7. The Attorney General conducted annual financial inspections of BPOE #177 for the bingo fiscal years 2019-2024.
8. During the bingo fiscal year 2021-2022 BPOE #177 failed to submit quarterly reports for quarters 1, 2, and 4.
9. During the bingo fiscal year 2022-2023 BPOE #177 failed to submit quarterly reports for quarters 1-4.
10. During the bingo fiscal year 2023-2024 BPOE #177 failed to submit quarterly reports for quarters 2-4.
11. BPOE #177 has a charitable distribution shortage for 2022 in the amount of \$816.33 and \$13,269.97 for 2023.
12. BPOE #177 did not cooperate with Attorney General requests or provide financial documentation as required under Ohio law.
13. Proper accounting and internal control procedures were not followed resulting in paper and electronic instant bingo account deposit shortages over \$95,000 in 2024; over \$56,000 in 2023; and over \$16,000 in 2022.

NOW THEREFORE, in consideration of the mutual promises herein expressed, and with intent to be legally bound, the Parties agree as follows:

- A. BPOE #177 shall pay a total of **\$14,086.30** (fourteen thousand eighty-six dollars and thirty cents), with an initial payment of \$2,086.30 (two thousand eight six dollars and thirty cents) and 3 monthly installments of \$4,000.00 (four thousand dollars and zero cents) each month thereafter. The initial payment will be due July 1, 2025. The remaining 3 monthly payments will commence August 1, 2025, and end October 1, 2025. Nothing in this paragraph should be construed to limit early payments by BPOE #177.

All payments shall be made directly to Harvest for the Hungry Food Pantry Inc., EIN 82-3224336.

An executed copy of this SETTLEMENT AGREEMENT will be sent to Harvest for the Hungry Food Pantry Inc.

- B. BPOE #177 shall pay a Civil Penalty Amount. Upon execution of this SETTLEMENT AGREEMENT, the Civil Penalty Amount shall be in the amount of \$5,000. The Attorney General agrees to STAY the Civil Penalty Amount upon monthly compliance of the terms of this SETTLEMENT AGREEMENT. The Attorney General has sole authority to determine whether BPOE #177 has fully complied with this SETTLEMENT AGREEMENT. Should the Attorney General determine that BPOE #177 has failed to comply with this SETTLEMENT AGREEMENT, the Civil Penalty Amount shall be payable upon demand.

- C. If BPOE #177 fails to comply with the payment requirements above, the Attorney General shall certify the unpaid balance of the payment to the Ohio Attorney General's Collections Enforcement Section ("Collections") for collection. In the event of certification, BPOE #177 agrees to pay additional collection costs assessed by Collections in accordance with Ohio Revised Code Section 131.02(A) equal to the amounts charged pursuant to Ohio Revised Code Sections 109.08 and 109.081 for the cost of certification and the use of Special Counsel for the collection of the debt. Interest shall also be charged upon certification in accordance with Ohio Revised Code Section 131.02(D). Nothing in this paragraph should be construed to limit the Attorney General's discretion to pursue any other available remedy.
- D. BPOE #177 agrees that all money used to fulfill the terms of this SETTLEMENT AGREEMENT shall come exclusively from BPOE #177's general operating account. Money collected under paragraph A above will be allocated as charitable distributions.
- E. BPOE #177 agrees that while it is paying off the distribution shortages noted in paragraph A, it will continue to make all current bingo fiscal year charitable distributions required under Ohio law and its contract(s) monthly.
- F. BPOE #177 agrees to timely submit quarterly reports by uploading all requested information to the Charitable Account Management Portal located at:
<https://charitableportal.ohioago.gov>.

Quarterly Timeframe	Quarterly Report Due
November 1- January 31	February 28
February 1- April 30	May 31
May 1- July 31	August 31
August 1- October 31	November 30

- G. BPOE #177 agrees to cooperate and provide a written response to the satisfaction of this Office regarding the bingo deposit shortages of \$95,520. All questions must be responded to in a timely fashion with the requested information.
- H. BPOE #177 agrees to respond to all inquiries from this office within three (3) business days regardless of how or what form the contact originates.
- I. BPOE #177 agrees that if it fails to comply with any requirements in Paragraphs A through H above, BPOE #177 shall pay the stayed amount of the civil penalty in paragraph B above.
- J. BPOE #177 agrees that if it fails to comply with requirements in Paragraph A through H above, it will surrender its Charitable Bingo License and/or Charitable Bingo Temporary License to the Attorney General as well as request, in writing, the withdrawal of any

Charitable Bingo License Applications it has pending or refrain from initiating an application for the next two license years.

- K. BPOE #177 agrees that fulfilling the terms of this SETTLEMENT AGREEMENT in no way negates its current contractual obligations to its contracted charity or its successor(s);
- L. BPOE #177 agrees to comply with all state and federal laws relating to charitable gaming, and to fully cooperate with all state and federal authorities conducting investigations of BPOE #177's charitable gaming operations;
- M. BPOE #177 agrees to comply with the requirements of ORC 2915 *et seq.*, and any Ohio Administrative Code rules adopted thereunder;
- N. BPOE #177 agrees to comply with the requirements of ORC 1716 *et seq.* (the Ohio Charitable Organizations Act), and any Ohio Administrative Code rules adopted thereunder;
- O. BPOE #177 agrees to comply with the requirements of ORC 109.23-109.33 (the Charitable Trust Act), and any Ohio Administrative Code rules adopted thereunder;
- P. In return for execution of and compliance with this SETTLEMENT AGREEMENT, the Attorney General agrees to STAY the Civil Penalty Amount imposed in paragraph B. The Attorney General may consider the facts stated above when issuing future charitable bingo licenses to BPOE #177.
- Q. BPOE #177 agrees that any evidence of a violation of this SETTLEMENT AGREEMENT shall be *prima facie* evidence of BPOE #177's violation of the applicable laws related to charitable gaming, ORC 2915 *et seq.*, ORC 1716 *et seq.*, ORC 109.23-109.33, or any Ohio Administrative Code rules adopted thereunder, in any subsequent action or proceeding brought by the Attorney General;
- R. This SETTLEMENT AGREEMENT is binding upon the parties, any and all successors, assigns, subsidiaries, agents, employees, or representatives of the parties or any other affiliates. Any breach of this SETTLEMENT AGREEMENT by BPOE #177 will discharge the Attorney General from any obligations under the terms of this SETTLEMENT AGREEMENT, but will not discharge BPOE #177 from any obligation it has under this SETTLEMENT AGREEMENT;
- S. By signing this SETTLEMENT AGREEMENT, the Attorney General is not waiving any rights he has to conduct further investigations of BPOE #177 and to initiate an action against BPOE #177 for further violations of ORC 2915 *et seq.*, ORC 1716 *et seq.*, ORC 109.23-33, or any Ohio Administrative Code rules adopted thereunder;
- T. This SETTLEMENT AGREEMENT may be modified in writing by the parties. Modifications are at the sole discretion of the Attorney General;

U. The parties have read and understand this SETTLEMENT AGREEMENT and have entered into the same knowingly, voluntarily, and with the opportunity to gain advice of counsel;

V. This SETTLEMENT AGREEMENT supersedes any and all prior agreements between the Parties; and

W. This SETTLEMENT AGREEMENT is entered into by both parties and may be executed in counterparts or facsimiles, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. It shall be considered binding and effective upon the date of the last signature of all requisite parties and individuals.

The parties to this SETTLEMENT AGREEMENT have either executed it or caused it to be executed by their duly authorized representatives as evidenced by the signatures below:

Benevolent Order of Elks No. 177

Monica Blanton

Date

5-22-25

By: Monica Blanton (Print Name)

Its: Exalted Ruler (Organizational Title)

Charles E Roberts

Date

5-22-25

By: Charles E Roberts (Print Name)

Its: Trustee (Organizational Title)

OHIO ATTORNEY GENERAL DAVE YOST

By: 

05/22/25

Daniel W. Fausey
Section Chief, Charitable Law Section

Date