



Risk Management Considerations for Chase the Ace

Charitable organizations are always looking for exciting and lucrative fundraising ideas. “Chase the Ace” has become a very popular progressive raffle lottery in the Eastern Provinces.

Chase the Ace is often an event-based lottery meaning that tickets are sold and the draw occurs on the same day. Winners must be present to collect their prize. There are two opportunities to win; a draw occurs for a percentage of the ticket sales and then a card is drawn from a deck for a chance to win the jackpot. Although the draws are very lucrative and can be a great fundraising tool, there are some risks to consider before a charitable organization starts a “Chase the Ace” draw.

Identifying and Mitigating Risks:

1. Fines for running an unlicensed event - Chase the Ace is a lottery that requires a license. Be sure to check with provincial gaming authorities to ensure the lottery is operating in compliance with gaming laws.
2. Fraudulent tickets - The use of stub tickets as opposed to roll tickets is recommended to minimize the chance of fraud.
3. Duplicate tickets - In 2016 in Sydney, Nova Scotia, a printing error resulted in two different women holding winning tickets. Consider retaining the services of a

Chartered Professional Accountant to confirm there are no duplicate ticket rolls and that procedures are in place to minimize fraud.

4. Claims of unfair practices - Rules must be posted at all ticket selling locations. A template is available from gaming authorities. Ensure that the person drawing the ticket does not hold a ticket for the draw. Videotape the ticket draw and card selection.
5. Theft of cash - Due to the large amounts of cash that can be collected, cash management can be an issue. Organizers should consider security or police for cash security. The payout for the winner should be a cheque not cash. An armed car service should be hired to transport large amounts of cash.
6. Venues that are too small to accommodate crowds - Make sure the venue is large enough to hold the anticipated number of attendees. As jackpots accumulate, thousands of people can be attracted to purchase tickets making traffic control and parking an issue. Consider using volunteers to direct traffic and parking.

Careful planning and risk management will ensure the lottery runs as smoothly as possible and maximize the benefits to both players and fundraisers.

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