

**WAC 230-07-025 Additional requirements for "significant progress" for Groups IV and V.** In addition to meeting the significant progress requirements for Groups I, II, and III, Group IV and V charitable or nonprofit licensees must also prove they:

(1) Expended at least sixty percent of net gambling income earned in the licensee's most recently completed fiscal year on "functional expenses" to operate the organization's programs; and

(2) Used no more than thirty-five percent of total functional expenses to provide supporting services. If licensees used more than fifty percent of total program services expenses to provide program services through indirect methods (those which are external to the organization), such as grants, contributions, and/or scholarships, then supporting services expenses must not exceed twenty percent of functional expenses.

[Statutory Authority: RCW 9.46.070. WSR 07-10-032 (Order 609), § 230-07-025, filed 4/24/07, effective 1/1/08.]