

GRAND BLANC COMMUNITY SCHOOLS RAFFLE & 50/50 PROCESS

A raffle is an event where raffle tickets are sold and at least one winner is determined by a drawing.

REQUIREMENTS AND RULES

- ❖ Carefully review and follow the State of Michigan raffle information and rules. Please note the following when reviewing the rules and holding a raffle.
 - Tickets may only be sold to purchasers who are 18 years of age or older.
 - Ticket sellers must be 18 years of age or older.
 - No presale of raffle tickets before the event.
 - Establish, post and adhere to house rules for the raffle event.
 - The Charitable Gaming Division reserves the right to inspect any raffle records before, during or after the event. The Business Office will retain raffle records for three years plus the current calendar year.
- ❖ You may not:
 - Use the internet to sell raffle tickets.
 - Sell raffle tickets over the telephone or to persons outside of Michigan.
 - Sell raffle tickets at events outside of Michigan.
 - Sell raffle tickets outside of the event times or outside the event location.
 - Mail raffle tickets to purchasers.
- ❖ Traditional raffle is where raffle tickets are sold prior to the drawing date. A winner does not need to be present to win.
- ❖ An in-house raffle (50/50) is where all tickets are sold and all prizes are awarded at the location and during the beginning and ending times on the license application. The prize must be claimed or a new ticket drawn the day of the event to award the prize.
- ❖ If you have any questions after reviewing raffle rules and forms, have any raffle changes or cancellations, please contact Anita Clark at Grand Blanc Community Schools (GBCS) Business Office at 810-591-6013 or aclark@gbcs.org.

APPLICATION PROCESS

- ❖ Please complete the Charitable Gaming Division Raffle License application where highlighted to begin the application process. The prefilled information is the same for all student activity groups.
- ❖ The raffle chairperson is the person who is responsible for the raffle and at every raffle drawing date. The raffle chairperson may or may not be the group's treasurer.
- ❖ Complete and route a GBCS check request form and the raffle license application to Anita Clark at the Business Office. All raffle-related documents must be routed through the GBCS Business Office.
 - Small Raffle requires a license fee of \$15.
 - Total value of all prizes awarded is \$500 or less.
 - Limit ticket sales to \$1,000 to keep within \$500 or less prize requirement.
 - Large Raffle requires a license fee of \$50.
 - Total value of all prizes awarded is more than \$500.
- ❖ The Business Office will review and route to the Superintendent for signature. The Business Office will submit the completed application and license fee to the State of Michigan.
- ❖ Once approved the Charitable Gaming Division will send a packet with the raffle license, instructions and a pre-filled Raffle Financial Statement to the Business Office.

ADVERTISING

- ❖ Expenditures for advertising shall be necessary and reasonable.
- ❖ The advertising must include the following information:
 - Grand Blanc Community Schools
 - License number
 - Purpose for which the net proceeds will be used.
 - The terms “lotto” or “lottery” shall not be used in any manner to describe or advertise a raffle.

TICKETS

- ❖ All sold raffle tickets (winners & losers) and unsold raffle tickets are turned into the Business Office.
- ❖ Tape drawn ticket and winning ticket to your House Rules
- ❖ Rolled tickets
 - May be used if sale of tickets is conducted “in house” and not pre-sale of tickets.
 - Buy different color ticket for each price point
 - Buy one color ticket for single ticket purchases
- ❖ Preprinted raffle tickets (sample ticket included in raffle packet)
 - Must be used if tickets are sold prior to the day of the event.
 - Must include the raffle license number, word “Raffle”, Grand Blanc Community Schools, drawing date(s), drawing time(s), top prize, raffle location and ticket price.
 - Must contain a stub for the purchaser’s name, address and phone number. A unique sequential ticket number must be printed on both the ticket and the stub.
- ❖ Pre-bundling tickets
 - Determine number of ticket sellers
 - Pre-bundle tickets
 - If small raffle license, only pre-bundle \$1,000 in tickets.
 - You must cap your winnings to \$500 for a small raffle license.

RAFFLE BANK DEPOSITS

- ❖ After ticket sales are complete take out your starting cash.
 - If starting cash was obtained via a check request form, this money must be a separate deposit.
- ❖ Split remaining money into two equal amounts for 50/50 drawing.
 - One amount to event coordinator for the prize
 - One amount to student activity treasurer for deposit. This money must be a separate deposit.
- ❖ Deposit all raffle money at Chase Bank within two business days of the raffle drawing.

FINANCIAL STATEMENT PROCESS

- ❖ After the raffle is held the student activity group who held the raffle must complete the pre-filled Raffle Financial Statement and return it to the GBCS Business Office. The financial statement is due two business days following the date the raffle event took place. Failure to submit a financial statement will delay all other GBCS raffle applications.
- ❖ The Business Office will review and route to the Superintendent for signature. The Business Office will submit the completed financial statement by email or mail to the State of Michigan.

TAX REPORTING REQUIREMENTS

- ❖ If a prize is valued at \$600 or more and the prize value is more than 300 times the wager (ticket price), certain Internal Revenue Service (IRS) requirements must be followed.
 - When the prize is awarded you must obtain an IRS Form 5754 from the prize winner along with the winner’s driver license number and the state that issued the license. This information is used to report game winnings to the IRS.

GRAND BLANC COMMUNITY SCHOOLS RAFFLE & 50/50 CHECKLIST

*****Business Office to retain raffle records for 3 years + current calendar year*****

Use this checklist to make sure all rules and steps have been taken in the raffle process.

RAFFLE LICENSE APPLICATION

- Review State of Michigan raffle requirements and raffle rules and understand this process can take 4 – 5 weeks.
- Complete the pre-filled Charitable Gaming Division Raffle License application.
- Complete the Fundraising form. Raffle must be approved by GBCS Board of Education.
- Complete the GBCS check request form for the license fee.
- Name of license is Grand Blanc Community Schools (not the student activity group name).
- Mail or drop off the application and check request form to the GBCS Central Office.
- Complete House Rules for the raffle event and print. If you do not have House Rules, request a template from the Business Office. You must adhere to your House Rules.
- Receive a raffle packet from the Business office containing a raffle license and financial statement.
- Display my raffle license and house rules during the raffle event. Keep proper documentation and gaming records as appropriate to complete the Financial Statement and in case of State of Michigan raffle inspection.

REQUIRED GAME RECORDS

- A copy of the raffle application with check request form.
- Raffle License.
- The names and addresses of raffle drawing winners if prize(s) won are valued over \$100.
- Completed IRS Form W-2G if raffle prize is \$600 or more. The prize is subject to Federal Income Tax Withholding.
- The names and addresses of anyone receiving a raffle ticket seller incentive prize and the amount.
- Copies of bank deposit slips.
- Copies of all checks.
- Invoices and receipts for all expenses paid out.
- Complete **Raffle Ticket Accountability Form**.
Fill in ticket number information for each seller on the correct ticket sheet.
Use a new form for each ticket price point (i.e. \$1 each or 6 for \$5).
- Complete the **Financial Statement** – do not sign this form.
This form has the license number and bar code pre-filled by the State of Michigan.
- Complete **Workers Service Record**.
Print name of each seller, title, date.
Each seller must sign this form and comply with raffle rules.
The Workers Service Record is completed for both unpaid and paid ticket sellers.
- A copy of the house rules.
- All sold raffle tickets (winners and losers) and unsold raffle tickets.
- Return the raffle packet with completed forms to GBCS Business Office within two business days of the raffle drawing.