

TIPBOARDS

This chapter contains information on the conduct of tipboards, reports, and common questions.

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“Meat raffles” are often conducted using tipboards. These games must be conducted and reported following statute and rule requirements for tipboard games.

Common Terms	
Bar code	<ul style="list-style-type: none"> • Bar codes are used by the Department of Revenue to track the distribution, sales, and reporting of tipboards throughout the state. • It is the manufacturer's responsibility to place a bar code on each tipboard flare.
Deal	A deal is an individual game of tipboards that is either a separate package or series of packages consisting of one game with the same serial number.
Flare	<p>The flare is the posted display that:</p> <ul style="list-style-type: none"> • has a bar code and a Minnesota geographic boundary symbol imprinted or affixed; and • is used to inform players of the information needed to play a particular deal of tipboards (prizes to be awarded, winning symbols, etc.).
Meat raffle	A tipboard game in which the prize awarded is a meat package. "Meat raffles" may also be conducted using a paddlewheel without a table or regular raffle tickets.
Seal	A tipboard always has a seal that is opened or uncovered to reveal the winning number or symbol.
Seal card	A seal card is a board or placard used in conjunction with a deal of tipboards and contains a seal or seals that when opened or uncovered reveal predesignated winning numbers, letters, or symbols.
Tipboard	A tipboard is a board, placard, or other device containing a seal that conceals the winning number or symbol, serves as the game flare for a tipboard game, and contains a sign-up line(s).
Tipboard ticket	A tipboard ticket is a single ticket that is folded or banded, a group of banded tickets, or a multi-ply card, the face of which is initially covered or otherwise hidden from view to conceal a number, symbol, or set of symbols, some of which have been designated in advance and at random as prize winners.

Items Used in the Conduct of Tipboards

Required Items

Item	Use	Where to Obtain
Prize receipt form	Complete a prize receipt form: <ul style="list-style-type: none"> • for each winning tipboard ticket valued at \$100 or more; and • for last sale prize valued at \$20 or more. 	Contained in this chapter. Often provided by the distributor with the game.
Tipboard	Used in the conduct of a tipboard game.	Purchase from a licensed distributor only.

Optional Items

Item	Use	Where to Obtain
Scanner	Used to quickly print driver's license information onto a label that is then permanently affixed to a prize receipt form.	From any source.

Tipboard Prizes	
Prize limit	
<p>A tipboard prize or any combination of prizes may not have a value over \$1,499. Exception: A progressive tipboard game may have a maximum cash jackpot of \$2,500.</p>	
Types of prizes allowed	Types of prizes not allowed
<p>Prizes for a tipboard game, as designated on the flare, may consist of:</p> <ol style="list-style-type: none"> 1. cash; 2. gift cards or gift certificates; and 3. merchandise, which includes certificates for merchandise or services. 	<ul style="list-style-type: none"> • Prizes may not consist of lawful gambling equipment, i.e. paper pull-tabs, tipboard tickets, paddlewheel tickets, raffle tickets, bingo paper, etc. • Cash may not be substituted for merchandise prizes, gift cards, certificates for merchandise or services, or gift certificates. • Merchandise prizes or certificates are not allowed for a progressive tipboard game.
Merchandise prizes	
Donated prize	Merchandise prizes may be donated. For donated prizes, the fair market value of the prize must match the value of the prize listed on the tipboard flare.
Lessor restrictions	<p>For a leased premises:</p> <ol style="list-style-type: none"> 1. The lessor may donate prizes. 2. An organization may purchase from the lessor a certificate for merchandise or gift card to be redeemed for food or beverages at the premises if: <ol style="list-style-type: none"> a. the certificate or card has a redeemable monetary cash value; b. the certificate or card does not contain restrictions on its redemption, such as requiring a purchase of food or beverage of equal or greater value or redeemable for a specific item; c. the certificate or card may be redeemed at any time during regular business hours of the permitted premises; and d. the cost to the organization is 50% or less of the redeemable cash value.
Compliance with prize limit	<ul style="list-style-type: none"> • To determine compliance with prize limits, merchandise prizes that are donated or purchased at a discount must be valued at their fair market value. • The fair market value of a merchandise prize must not be an amount less than the purchase price. • The value of the prize listed on the tipboard flare must be the same as the actual amount paid for the prize. For example, if the flare states the prize has a value of \$15, you may not purchase meat packages that vary in price from \$13 to \$16. Order meat packages that cost exactly \$15 each.
Report on G1	<p>For purposes of reporting on the monthly LG100A:</p> <ul style="list-style-type: none"> • donated prizes have no value (not reported); and • report merchandise prizes at the actual cost plus shipping and sales tax.

Tipboard Prizes (continued)

Certificate for merchandise or services—required information

A certificate for merchandise or certificate for services awarded as a prize must include:

- a complete description, including the value, of the merchandise or services;
- the vendor's name from whom the certificate must be redeemed; and
- a statement expressly prohibiting the substitution of cash or another type of merchandise or services described on the certificate.

Ownership of prizes required; payment

- For tipboards consisting of 32 tickets or less, merchandise prizes may be paid for up to 30 days after an organization obtains the prize.
- For all other tipboard games, an organization must pay in full for tipboard prizes or otherwise become the owner without lien or interest of others prior to the conduct of the tipboard game.
- Purchase merchandise prizes directly from the vendor with a check drawn on the gambling account. For example, an organization may not purchase meat packages from the gambling manager who originally purchased them from a local butcher shop. An organization must purchase the meat packages directly from a vendor.
- Cash from the game may not be used to pay for merchandise prizes.

Conducting a Tipboard Game

For information on who may and may not participate in lawful gambling, see Chapter 3, page 20.

Information required to be posted at each premises

General information posted

The following information must be prominently posted at each premises:

- organization name;
- license number and premises permit number;
- a statement that illegal gambling is prohibited at the premises; and
- the problem gambling hotline number (1-800-333-HOPE) at each point of sale.

House rules posted

The minimum size for the house rules sign is 11" x 17". The house rules must be clearly visible at the point of sale.

The house rules governing the conduct of lawful gambling must include all policies of your organization that affect the play of the game, including any restrictions in addition to those imposed by Minnesota Statutes, Section 349.181, on who may not participate in the conduct of lawful gambling at the premises.

House rules may include items such as:

- Cash only. Checks, credit cards, or debit cards not accepted.
- A driver's license or picture ID must be presented to redeem a winning ticket.
- Prizes remaining in a tipboard deal are not guaranteed. Posting shows only major winning tipboard tickets that have been redeemed.
- Players must be 18 or older to purchase or redeem a ticket.

Name of paid employee

Paid gambling employees must clearly display their name when conducting lawful gambling.

Information required to be kept at each premises

Records and forms

The following must be kept at each premises and be available for inspection at times when the premises is open for the conduct of lawful gambling:

- a current site inventory record (LG847) that lists each tipboard kept on the premises; and
- a copy of the distributor's invoice for each tipboard in play and for each unplayed tipboard stored on the premises.

Deals in play

All records, reports, and prize receipts relating to a deal of tipboards in play must be kept at the premises while the game is in play.

Separation of equipment

A clear physical separation or divider must be maintained between an organization's gambling equipment, another organization's gambling equipment, and the lessor's business equipment.

Conducting a Tipboard Game (continued)

Starting cash banks and drawers

A starting cash bank is money placed in the cash drawer prior to the beginning of the game, and is used to make change and pay cash prizes awarded.

Putting a game into play

Before a game is put into play

Check each flare to be sure:

- a bar code is attached to the flare;
- the game name and serial number match the invoice and the tickets; and
- the serial number and form number on the bar code matches the serial number and form number printed on the tickets.

An organization may not:

- change the prizes printed on the tipboard by the manufacturer, except to post a progressive jackpot amount;
- use a tipboard that is altered or defaced, except for flares that contain a last sale sticker added by the distributor; or
- use a tipboard with missing tickets.

Posting of flare

The flare must be posted at the point of sale.

Game transfer not allowed

Games in play may not be transferred from:

- one site to another;
- a bar operation to a booth operation at a leased premises; or
- a booth operation to a bar operation at a leased premises.

Business hours

Tipboard tickets may only be sold and winning tickets redeemed at times when the premises is open for the conduct of its regular business. The organization determines the hours that it will conduct gambling within the regular business hours.

Conducting a Tipboard (continued)

Selling tipboard tickets

Cash only—Only cash, traveler’s checks, money orders, and cashier’s checks may be accepted for the purchase of a tipboard ticket.

Checks, debit cards, or credit cards may not be accepted. Credit may not be extended to a player.

Maximum ticket price is \$5 for each tipboard ticket.

Age restrictions—Only persons 18 and over may participate as a tipboard player.

No assistance provided—Tipboard ticket sellers may not help a player open tipboard tickets.

- Only employees or organization volunteers selling the game may open tipboard seals.
- Players may select which seal is opened if placard has more than one seal.

Display prizes—If merchandise is offered as a prize, it must be displayed in full view of players.

Signing the placard; when required

For games containing more than 100 tickets, each player that has a tipboard ticket with a predesignated number or symbol making them eligible for the seal prize must sign the placard on the line indicated by the number or symbol on the ticket.

Determining a winner

The tipboard seller must open or uncover the seal on a non-progressive tipboard game to determine the winner by the number or symbol printed under the seal when:

- the predesignated numbers or symbols on the tickets have all been purchased and the appropriate lines signed on the placard; **or**
- all of the tipboard tickets for that game have been sold; **or**
- the organization chooses to close a deal or game.

A tipboard deal may contain consolation winners that are not determined by the use of the seal.

Prizes may not be awarded if tipboard tickets are lost, marked, defaced, altered, or have left the premises.

Conducting a Tipboard Game (continued)

Using the prize receipt form

The tipboard seller must complete a prize receipt form for each winning tipboard ticket redeemed with a prize value of \$100 or more and any "last sale prize" awarded with a value of \$20 or more.

PRIZE RECEIPT Complete in ink. Staple winning ticket, and winning seal, if any, to prize receipt.*		
Organization name	Date and time	Value of prize \$
	Name of game	
	<input type="checkbox"/> Bingo \$100+	<input type="checkbox"/> Electronic device credits \$600+
	<input type="checkbox"/> *Tipboard \$100+	<input type="checkbox"/> *Paddlewheel \$100+
	<input type="checkbox"/> *Paper pull-tab \$100+	<input type="checkbox"/> *Last sale prize \$20 or more
Bingo alternative prize: \$		
Site location	Game serial number	
Received by: Name (print)		
Address		
City, state, zip		
Driver's license number or ID# from other picture identification		State
Winner's signature, in ink	Seller's signature, in ink	
<small>PREPARED BY THE MINNESOTA GAMBLING CONTROL BOARD (LG0007 7/16)</small>		



Complete in ink; signatures required

The prize receipt information must be printed in ink or scanned from a photo ID and affixed to the prize receipt form. The signature of the winner and the signature of the organization employee or volunteer making the payment must be in ink. Scanned labels must be permanently adhered to the prize receipt. They may not be stapled or taped to the prize receipt.

Picture ID required

A valid driver's license, a U.S. military ID card, or another form of government-issued picture identification is required to complete the prize receipt. The form of picture ID must be recorded, including the driver's license number and state of registration or the form of other type of picture ID provided. A social security card does not meet this requirement.

If a winner does not have a picture ID, another player's ID may be used. That player's information, signature, and the winner's signature, must be included on the prize receipt form.

Until a player provides the necessary information to complete a prize receipt, the organization has no obligation to award the prize.

Other requirements

Staple the redeemed winning ticket (and winning seal tab, if any) to the prize receipt. Keep the completed prize receipt at the premises while the deal is in play.

Conducting a Tipboard Game (continued)

Closing a tipboard game

When closing a game, the tipboard seller must:

- remove the tipboard flare;
- count the cash in the game drawer;
- separate the starting cash bank amount from the game proceeds; and
- enter on the LG847 Current Site Inventory, Column 7, the date the game was closed.

Deposit information

Deposit and record cash on hand amount, or secure the cash until it can be deposited. Deposit the gambling receipts into the gambling account **within four business days** of the close of the game.

On the deposit slip, list the following:

1. Your premises permit number.
2. The date of the deposit.
3. The serial number of each game.
4. The amount of actual cash deposited from each game.

If only **merchandise prizes** are awarded, the deposit amount should equal the gross receipts (total amount wagered), except for any cash long or short you might have.

Cash proceeds may not be used to purchase prizes. The gross receipts must be deposited into the gambling account.

If **cash prizes** are awarded, the deposit amount should equal the net receipts (amount wagered minus the cash amount paid out in prizes). Any variances are reported as cash long or cash short.

First National Bank Deposit Slip	
Date	10/6/17
99999-001	
80345467	\$15.00
80345468	\$15.00
80345469	\$15.00
TOTAL	\$45.00

Auditing a tipboard game

All tipboard games must be audited. The final audit of the game must be done by someone other than the seller and/or the person who prepared the deposit. Sellers may be asked to make a preliminary audit of their own games, but they may not do the final audit.

Fund loss

If a fund loss is discovered:

1. Notify local law enforcement within five days of discovering the loss, and notify the Gambling Control Board. Fund losses not reported will not be considered by the Board.
2. Within 60 days, provide the Gambling Control Board with documentation of reimbursement or a request for a profit carryover adjustment. This documentation must be provided to the Board within 60 days or the fund loss will not be considered by the Board.

Refer to the *Internal Operations and Oversight* chapter, Fund Loss section.

If tipboard games (played or unplayed) are lost due to a disaster such as fire, flood, blizzard, tornado, or other catastrophic event, immediately contact the Department of Revenue at 651-297-1772 for instructions on how to report the destroyed games.

Other Tipboard Games

Cumulative tipboard game

What is it? A "cumulative tipboard game" is played with two or more deals with the same form number but containing a unique serial number for each deal. A portion of each deal's predetermined prize payout is designated to a cumulative prize pool. The game is packaged as a cumulative game by the manufacturer.

What are the conduct requirements? In addition to general requirements and restrictions for the conduct of a tipboard game, the following apply to the conduct of a cumulative tipboard game.

- The game may only be played with deals having the same form number from the same family and manufacturer.
- The organization may have more than one deal in play at the same time but may not commingle deals.
- The prize pool board must be posted until the game is completed or discontinued.
- When a seal winner is determined for a deal, the seller must open or uncover the seal on the prize pool board and award the prize.
- The winning ticket and the winning seal tab, if any, from the prize pool board must be stapled to the prize receipt form.
- When closing or discontinuing a deal within a cumulative tipboard game, the organization must immediately open or uncover the seal for that deal.

Multiple seal tipboard game

What is it? A "multiple seal tipboard game" is a tipboard game in which select tickets are redeemed by players for a predetermined prize amount under a seal number matching the ticket presented by the player.

What are the conduct requirements? In addition to the general requirements and restrictions for the operation of a tipboard game, the following apply to the conduct of a multiple seal tipboard game.

- Deals may not be commingled.
- When a player presents a winning ticket for a predesignated seal, the seller must immediately open or uncover the predesignated seal on the flare and award the prize.
- If the winning ticket offers a choice of seals to be opened, the player may select which seal is to be opened. However, the seal must be opened by the seller—not by the player.
- The winning ticket and winning seal tab if any (for a game with no progression) must be stapled to the prize receipt form.
- An organization may discontinue the play of the game before all tickets are sold in a deal.

Other Tipboard Games (continued)	
Progressive tipboard game	
What is it?	A "progressive tipboard game" is a game that has a portion of its predetermined prize payout designated to one progressive jackpot prize. The jackpot prize increases from one deal to the next until the jackpot prize is won or the predetermined jackpot amount printed on the flare by the manufacturer is reached.
What are the conduct requirements?	<p>In addition to the general requirements for a tipboard game, the following apply to the conduct of a progressive game.</p> <ol style="list-style-type: none"> 1. The game is played with deals having the same form number from the same family and manufacturer. 2. The flare containing the current progressive jackpot amount must be posted while the game is in play. 3. When the progressive jackpot reaches the jackpot amount listed on the flare, no additional contribution may be made to the progressive jackpot. 4. The LG471 Progressive Paper Pull-tab or Tipboard Contact Information form must be completed by all potential winners. 5. If the seal prize winner is present: <ul style="list-style-type: none"> • the winner must select a window(s) to be opened or uncovered by the seller; • the winner must complete and sign in ink a progressive jackpot prize receipt; • the organization must pay the winner by check within two business days of the signed prize receipt; • the organization may pay the winner with cash if the jackpot prize is \$599 or less; and • the organization must furnish the winner with appropriate federal and state tax forms. <p>If the seal prize winner is not present:</p> <ul style="list-style-type: none"> • the seller opens or uncovers the window(s) the player selected and recorded on the contact information form; • the organization must send the prize receipt and notification letter to the winner by certified mail within two business days; and • the organization must pay the winner by check within two business days of receipt of the signed prize receipt and furnish the winner with appropriate federal and state tax forms. <p>If the jackpot winner does not claim the prize within 30 days of the date the certified letter was mailed, the prize will be forfeited by the player.</p> 6. If there is no seal prize winner or the progressive jackpot is not won, the next deal may be put in play or the progressive game may be closed. The organization may close a "dead deal" within the game and put a new deal into play or discontinue the game. 7. The winning ticket and any winning seal tab from the flare must be stapled to the prize receipt.
Sports boards illegal	
<p>Sports boards are based on the outcome of sporting events, and the participant pays for the chance of winning a prize on the board.</p> <p>The most common types of sports boards are serialized 55-number boards, 100-number boards, or ten-number boards.</p> <p>NOTE: At its June 18, 2012, Board meeting, the Gambling Control Board, with advice from the Minnesota Attorney General's Office, took action to affirm that based on the federal law pertaining to the Professional and Amateur Sports Protection Act and prohibition of wagering on the outcome of sporting events, the Board shall not consider or approve any game from a licensed manufacturer where the winner is determined, directly or indirectly, by the outcome of a sporting event until such time that federal restrictions are successfully challenged or removed.</p>	

Records and Reports

Required forms to use

Complete and keep the following required Inventory forms:

- LG844 Perpetual Inventory/Paper Pull-Tabs, Tipboards, and/or Paddletickets
- LG847 Current Site Inventory List
- LG846 Physical Inventory/Paper Pull-Tabs, Tipboards, and/or Paddletickets Monthly Report
- LG830 Merchandise Prize Perpetual Inventory—if using merchandise prizes or merchandise certificates

Use the LG830 to maintain a record of all merchandise prizes including:

- The value of merchandise prizes your organization has purchased.
- How many have been awarded as prizes.
- Date awarded.
- The value of unawarded prizes still in inventory.

You will need this information to complete the LG100F Lawful Gambling Fund Reconciliation at the end of each month.

For progressive tipboard games, the following forms must be completed and kept with your records:

- LG470 Progressive Paper Pull-Tab or Tipboard Jackpot Tracking Record
- LG471 Progressive Paper Pull-Tab or Tipboard Contact Information
- LG472 Progressive Paper Pull-Tab or Tipboard Jackpot Prize Receipt
- LG473 Progressive Paper Pull-Tab or Tipboard Audit Record
- LG474 Progressive Paper Pull-Tab or Tipboard Jackpot Monthly Worksheet

Monthly reporting

Each month, an organization must report to the Gambling Control Board tipboard gross receipts, prizes, net receipts, and cash variances. Organizations must submit this information in an electronic file which includes the LG100A Lawful Gambling Receipts and Expenses by Site.

Forms and instructions are available at www.mn.gov/gcb (under GCB Monthly Reports) or from the Gambling Control Board.

In addition, each month, an organization must submit a G1 Lawful Gambling Monthly Tax Return to the Department of Revenue, reporting tipboard gross receipts, prizes, and net receipts.

Forms and instructions are available from the Department of Revenue.

Keep your games and records

- All played tipboards games and records must be kept in a secured area not susceptible to flooding for at least 3-1/2 years after the month in which the games were reported as closed on the LG100A.
- Unsold tipboard tickets may not be opened.
- All redeemed winning tickets must be kept with the tipboard flare.

Records and Reports: Common Questions

- Q. **Where do we report the cost of our merchandise prizes?**
- A. The cost of the merchandise prizes is reported on the LG100F until the prizes are awarded. Once awarded, the cost is reported on the LG100A as prizes.
- Q. **How do we report tipboard merchandise prizes bought and paid for in the same month?**
- A. If all merchandise prizes are awarded in the same month they were purchased, report them as prizes on the LG100A.
- Q. **How do we report tipboard merchandise prizes that were paid for but not awarded during that month?**
- A. Report the value of tipboard merchandise prizes on hand at the end of the month on Line 10 of the LG100F Lawful Gambling Fund Reconciliation.
- Q. **How do we report tipboard merchandise prizes that were awarded and reported in one month but not paid for until the next month?**
- A. Report the value on Line 16 of the LG100F Lawful Gambling Fund Reconciliation.
- Q. **How do we report spoiled merchandise (meat) prizes?**
- A. Damaged or spoiled merchandise prizes may be reported as a miscellaneous expense on the LG100A, Line 21.
- Contact a Compliance Specialist for reporting requirements, and keep supporting documentation.
- Q. **What do we do with leftover (unawarded) meat packages?**
- A. Donate: Leftover meat packages may be donated to a food shelf as a lawful purpose expenditure. Use code A2 on the LG100C.
- Sell: If a meat package is sold, an organization must deposit the funds into the gambling bank account.
- Contact a Compliance Specialist for reporting requirements.