

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	Tipboards, other than sports tipboards, always have 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.
Sports tipboard	A sports tipboard is a tipboard game where players purchase tickets, or spaces on a flare, or a combination of both. The tickets or spaces conceal numbers. If the player's number(s) match or otherwise correspond with the number(s) in the score of a designated professional sporting event, the player wins. There are variations on how the games are structured. The winning numbers may only be based on professional sporting events between two teams that are members of the NFL, NBA, WNBA, NHL, MLS, or MLB (no college or other amateur games are allowed).
Tipboard	"Tipboard" means a board, placard, or other device containing a seal that conceals the winning number or symbol, and that serves as the game flare for a tipboard game.
Tipboard ticket	<p>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.</p> <p>For a sports tipboard, the tipboard ticket contains a set of numbers used to determine the winner based on the numerical outcome of a professional sporting event.</p>

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 a last sale prize valued at \$20 or more. 	Contained in this chapter and on the Board's website. Often provided by the distributor with the game.
Sports tipboard	Used in the conduct of a sports tipboard game, sports tipboards may or may not have tickets.	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>The maximum prize which may be awarded for a tipboard ticket is \$599 for \$2 and under tipboard tickets, \$899 for \$3 tipboard tickets, \$1,199 for \$4 tipboard tickets, and \$1,499 for \$5 tipboard tickets, not including any cumulative or carryover prizes.</p> <p>Cumulative or carryover prizes in tipboard games shall not exceed \$2,500. An organization may not sell a tipboard ticket for more than \$5.</p> <p>For sports tipboards, each chance or ticket may not be sold for more than \$10. The maximum prize that may be awarded for a sports tipboard chance or ticket is:</p> <ul style="list-style-type: none"> • \$599 for \$2 and under sports tipboard chances or tickets; • \$899 for \$3 sports tipboard chances or tickets; • \$1,199 for \$4 sports tipboard chances or tickets; • \$1,499 for \$5 sports tipboard chances or tickets; • \$1,799 for \$6 sports tipboard chances or tickets; • \$2,099 for \$7 sports tipboard chances or tickets; • \$2,399 for \$8 sports tipboard chances or tickets; • \$2,699 for \$9 sports tipboard chances or tickets; and • \$2,999 for \$10 sports tipboard chances or tickets. 	
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	<p>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.</p>
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.

Tipboard Prizes (continued)

Merchandise Prizes (continued)

Compliance with prize limit

- 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.

Reporting merchandise prizes

For purposes of reporting on the monthly LG100A:

- donated prizes have no value (not reported); and
- report merchandise prizes at the actual cost plus shipping and sales tax.

Also report merchandise prizes on the Department of Revenue's Schedule B-2.

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.	
Information Required to be <u>Posted</u> at Each Premises	
General information posted	<p>The following information must be prominently posted at each premises:</p> <ul style="list-style-type: none"> • 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	<p>The minimum size for the house rules sign is 11" x 17". The house rules must be clearly visible at the point of sale.</p> <p>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.</p> <p>House rules may include items such as:</p> <ul style="list-style-type: none"> • 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.
House rules for sports tipboards	<p>House rules for sports tipboard games must include the following information:</p> <ul style="list-style-type: none"> • No sports tipboard tickets or chances may be sold after the game's seals have been opened or compromised. • All empty squares remaining on a sports tipboard must be marked "VOID" immediately before the opening of the game's seals. • Sports tipboard prizes must be claimed within seven days after the last time frame of the professional sporting event.
Name of paid employee	<p>Paid gambling employees must clearly display their name when conducting lawful gambling.</p>
Information Required to be <u>Kept</u> at Each Premises	
Records and forms	<p>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:</p> <ul style="list-style-type: none"> • a current site inventory record (LG847 or LG844) 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	<p>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.</p>
Separation of equipment	<p>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.</p>

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 for tipboard games must be posted at the point of sale.

Flares for sports tipboard games require additional information.

- Before a sports tipboard is put into play any of the following items that are not preprinted on the flare by the manufacturer must be printed on the flare **in permanent ink** by an organization employee or volunteer:
 - The names or a detailed description of the participating professional teams.
 - The date of the professional sporting event.
 - The organization employee or volunteer who entered the information on the flare must sign and date the flare and also record the time the flare was signed and dated.
- Only the seller may physically touch or write on the game flare.
- The flare must be prominently posted at the point of sale. If the tipboard includes a grid, the grid must be in a prominent location and visible to players at all times.

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 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 Game (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, or \$10 for each sports tipboard ticket or chance.

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 (non Sports Tipboards)

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
PREPARED BY THE MINNESOTA GAMBLING CONTROL BOARD (LG0007 7/16)		



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 other type of government-issued picture ID and ID number. 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, or LG844 Perpetual Inventory, the date the game was closed.

Deposit Information

Deposit and record cash on hand, 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	10/6/20
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 (within 24 hours if the game was played in a dispensing device), and notify the Gambling Control Board. Fund losses not reported will not be considered by the Board for profit carryover adjustment.
2. Within 60 days, provide the Gambling Control Board with documentation of reimbursement or a request for a profit carryover adjustment due to a fund loss. This documentation must be provided to the Board within 60 days or the fund loss request will not be considered by the Board. Use form LG250 Fund Loss Request (Profit Carryover Adjustment).

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.

Conducting a Sports Tipboard Game

A New Game in Town—Sports Tipboards

A form of sports wagering known as sports tipboards was allowed by law in Minnesota in 2012 (Minnesota Statutes, Section 349.12, subdivision 34). However, because federal law at the time restricted wagering on the outcome of sporting events, the Gambling Control Board held off on approving any sports tipboard games.

In 2018, the U.S. Supreme Court ruled in favor of legalized sports betting which opened the door for the sale of sports tipboards in the State of Minnesota beginning in July 2018. While traditional tipboard rules (Minnesota Rules, Part 7861.0290 "Tipboards") provided some initial guidance, new rules were required to regulate the sports tipboards games. These rules can be found in Minnesota Rules, Part 7861.0295 "Sports-Themed Tipboards". Sports tipboards are tax exempt.

What is a Sports Tipboard?

A sports tipboard is a tipboard game where players purchase tickets or spaces on a flare. The tickets or spaces conceal numbers. If the player's numbers match the numbers in the score of a designated professional sporting event, then the player wins. There are variations on how the games are structured. These games apply to certain professional sports only (not college or amateur games).

Sports tipboards may only be conducted through licensed charities at lawful gambling premises. Any other method of selling sports tipboards is illegal.

Sports Tipboard Restrictions

- Sports tipboards may only be used in conjunction with professional sporting events between two teams that are members of the NFL, NBA, WNBA, NHL, MLS and MLB (Minnesota Rules, 7861.0210, subpart 40d). The Gambling Control Board may remove a league or an event if the Board deems the league or event lacks sufficient integrity to ensure fair play of sports tipboards based on the event outcomes.
- Each sports tipboard may be used for only one professional sporting event.
- An organization must not transfer sports tipboard games in play from one permitted premises to another.
- At a leased permitted premises, a sports tipboard game in play may not be transferred between a booth and bar operation.
Exception: Organizations that OWN the permitted premises may transfer sports tipboards between the booth and bar operation.
- Progressive or cumulative sports tipboards are not allowed.
- A sports tipboard that is received in an altered or a defaced condition may NOT be used.

Sports Tipboard Restrictions for Games in Play

- An organization must sell the sports tipboard tickets, group of banded tickets, or grid squares for the price preprinted on the flare.
- A sports tipboard seal must not be opened or revealed until all chances have been sold or all unsold tickets have been secured or marked "VOID".
- An organization must not redeem tipboard tickets that were sold by another organization.
- If a game seal is compromised before the completion of all sales of tickets or chances or the start of the professional sporting event, the game is voided and the organization must:
 - immediately void and close the game,
 - mark "VOID" in permanent ink across the tipboard game flare,
 - refund all players the amount paid for a chance,
 - keep the voided sports tipboard game for 3-1/2 years.

Conducting a Sports Tipboard Game (continued)
Operation of a Sports Tipboard
<ul style="list-style-type: none"> • All tickets and chances must be placed out for play at the same time. • Only the seller may physically touch or write on the game flare. • All tickets and grid squares must be sold for the price preprinted on the flare and not allowed for resale. • A tipboard ticket or grid square may not be given to a player free of charge or for any other consideration.
Revealing the Winners
<p>Before opening seals, all unsold tickets must be secured and made unavailable for sale. All unsold squares on a grid must be marked "VOID". The organization must retain all flares and unsold tickets in their records for 3-1/2 years.</p> <p>Game scores posted by the applicable league are considered official and will be used to determine the winning numbers on the sports tipboard game. Posting the results of the professional sporting event to the flare or grid in permanent ink is required (this is not considered altering the flare).</p>
Prize Payouts
<ul style="list-style-type: none"> • Prizes may not be awarded to any player for a lost, marked, defaced, resold or an altered ticket. • Prize receipts are required for winning sports tipboard prizes of \$100 or more. Prizes are not cumulative. For example, if a player wins \$50 on the first half score and then wins \$75 on the final score, these are two separate wins and no prize receipt is required. • The organization employee or volunteer must immediately deface a winning sports tipboard ticket or mark the winning player's grid square as paid when redeemed by the player. • The player must claim winning sports tipboard tickets or chances within seven days after the last designated time frame of the professional sporting event. The player is responsible for redeeming a winning ticket or chance.
Closing the Game
<ul style="list-style-type: none"> • A sports tipboard game is considered closed when all chances have been sold or when the seals are opened, whichever occurs first. No chances may be sold after the game has closed. • A sports tipboard game is considered complete seven days after the last time frame of the professional sporting event or the date when all prizes have been claimed, whichever occurs first. • Sports tipboard game receipts must be deposited into the gambling account <u>within four business days of the completion</u> of the sports tipboard game (see above definition of when a sports tipboard game is "complete").

Conducting a Sports Tipboard Game (continued)

Sports Tipboards— Q & A

Q. What is a sports tipboard?

A. A sports tipboard is a tipboard game based on the outcome of a professional (not amateur or college) sporting event. There will be variations on how the games are structured, but winning chances will be based on the score of a game.

Q. Are sports tipboards legal in Minnesota?

A. Yes. In 2012, a law was passed in Minnesota to allow sports tipboards to be sold only by licensed charitable organizations under the regulatory control of the Gambling Control Board. The Board held off on approving sports tipboards until 2018, when the U.S. Supreme Court ruled in favor of sports betting.

Q. What does a sports tipboard game look like?

A. Sports tipboards look similar to other tipboard games; the only difference is the winning numbers (tickets or chances on a sign-up grid) will be determined by actual score of a professional sporting event.

Q. How much does a tipboard ticket or chance cost?

A. The maximum price per chance is \$10.

Q. Are sports tipboards available for sale now?

A. Yes. If your organization is interested in conducting sports tipboard games, contact a licensed distributor. A list of licensed distributors can be found on the Gambling Control Board's website at mn.gov/gcb/distributors.html.

Q. Do all chances on the tipboard have to be sold prior to the start of an event?

A. No. But no tickets or chances may be sold after the seals have been opened or after the professional sporting event has ended, whichever comes first. There can be unsold spaces on a sports tipboard with seals. Sellers must void any unsold spaces immediately prior to revealing the seals. If the winner is not sold, the licensed organization keeps the proceeds. However, if the winner is sold, a game with unsold squares could end up with negative net receipts.

Q. Do we still have to fill out prize receipts?

A. Yes. Prize receipts are required to be filled out for prizes of \$100 or more. Each prize is considered a "win" for prize receipt purposes. Some examples:

- If an individual wins a \$100 prize at halftime of a professional football game, and the same individual wins another \$100 based on the final outcome of the game, the winner must fill out two prize receipts forms—one for each win.
- If an individual wins a \$50 prize at halftime, and the same individual wins another \$50 at the end of the 3rd quarter, even though the individual won \$100 in total, the winner need not fill out a prize receipt form.

Q. Do winners have to be present to win?

A. No, players need not be present to win.

Q. Where may sports tipboards be conducted?

A. Sports tipboards may only be conducted through licensed charities at lawful gambling premises. Any other method of conducting sports tipboards is illegal.

Q. What is the maximum payout?

A. The maximum *ideal* payout is 85%. However, if there are unsold squares or tickets, the actual payout may be higher than 85%.

Q. How does my organization get a sports tipboard game?

A. Sports tipboard games must be purchased from a licensed distributor. Contact a licensed distributor to discuss game options and purchase sports tipboards.

Conducting a Sports Tipboard Game (continued)

Sports Tipboards— Q & A, continued

Q. How long do players have to claim a prize?

- A. Sports tipboard prizes must be claimed within seven days after the end of the professional sporting event. After that period, the prize value will be retained by the charity.

Q. How do I account for the game (sales, prizes, deposit)?

- A. With sports tipboard games, there are two important events: When a sports tipboard game is "closed" and when a sports tipboard game is "complete".
- A sports tipboard game is considered "closed" when all chances are sold or when seals are revealed.
 - A game is considered "complete" when all prizes have been paid or within seven days after the professional sporting event, whichever occurs first.

A licensed organization is required to deposit proceeds within four business days from the date the game is complete.

Q. May we mail checks to winners?

- A. Yes.

Q. Do sports tipboards fall under the combined receipts tax like regular tipboards?

- A. No. Sports tipboards are tax exempt. Reporting forms from the Gambling Control Board and Department of Revenue include a special line for reporting these games.

Q. Who do I call if I have other questions?

- A. Gambling managers should contact their Compliance Specialist at the Gambling Control Board with questions regarding the actual conduct of these games.

The Board has prepared an online course on sports tipboards. This course contains a wealth of information on how to conduct sports tipboards. To take the course, go to www.mn.gov/gcb and select the "Education" tab.

Auditing a Tipboard Game

All tipboard games, including sports 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?

In addition to the general requirements for a tipboard game, the following apply to the conduct of a progressive game.

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:**
 - 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.

If the seal prize winner is not present:

 - 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.

If the jackpot winner does not claim the prize within 30 days of the date the certified letter was mailed, the prize is forfeited by the player.
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.

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 (recommended 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 paid.
- 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 your Compliance Specialist at the Gambling Control Board 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 2 on the LG100C.
- Sell: If a meat package is sold, an organization must deposit the funds into the gambling bank account.
- Contact your Compliance Specialist at the Gambling Control Board for reporting requirements.