



SECTION VI: BUSINESS, TECHNOLOGY & OPERATIONS POLICY 6100

RAFFLES AS FUND-RAISING ACTIVITIES

The policy of the Broken Arrow Public Schools shall be that any fund-raising project of a gambling nature shall not be permitted. The term "gambling" shall be defined as any activity that is designed and put into action as a game to exchange something of value, such as money, for an opportunity to win or gain something of value, such as money or property. Betting or staking something of value on a contingency, a chance, or an uncertain outcome is strictly prohibited by this policy. All activity termed by the laws of Oklahoma as a lottery or gambling is prohibited by this policy.

Exception

As a result of the passage of Senate Bill 837 in 2003 and State Question 705 in 2004 a specific type of "raffle" is no longer termed as gambling or deemed a violation of the law in Oklahoma for qualified organizations such as public schools. Therefore, approved, school-sponsored organizations may request the use of a "SB 837 Raffle" as a fund-raising activity. In order to be considered for approval by the Board of Education, this type of fund-raising activity shall require the recommendation of the building principal and the superintendent (or designee). A SB 837 Raffle is subject to all of the District's fund-raising policies and procedures. A SB 837 Raffle request form (Form I) shall be accompanied by a fund-raising request in order to receive consideration.

Definitions and Procedures for School-Sponsored Organizations Conducting SB 837 Raffles

1. **Groups Allowed to Conduct SB 837 Raffles on School Property:** Only a school of the Broken Arrow Public School District or an approved student or parent-teacher group associated with a school of the Broken Arrow Public School District may conduct a raffle or raffle-related activities on school property and/or in the name of the District, a school, or school-approved student or parent-teacher group. The group conducting such a raffle is the "sponsoring organization" for purposes of this Policy.
 - a. The failure of a school or school-sponsored organization to follow and comply with this policy and District policies related to fund-raising and activity account procedures shall result in the disapproval and/or the immediate termination of the SB 837 Raffle.

2. **SB 837 Ticket and Stub Requirements:** The SB 837 Raffle shall be conducted using pre-printed, numbered tickets with corresponding, pre-printed and numbered stubs purchased through the school activity account or created by the school or school-sponsored group conducting the fund-raiser.
 - a. **Information Required on Printed Tickets and Ticket Stubs.**
 - Date, time, and place of drawing
 - The school's name (Broken Arrow High School, Oak Crest Elementary, Oliver Middle School, for example)
 - Consecutive numbering on tickets and ticket stubs
 - The amount of the suggested donation and the phrase, "Donation Suggested But Not Required"
 - Area for ticket holder to write name, address, and phone number if ticket holder need not be present to win a price



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3. **Ticket Distribution Requirements:** Those distributing tickets shall explain to potential donors the SB 837 Raffle is being conducted to raise donations for the fund-raiser project, and although payment of a donation is not required to receive a ticket and a chance to win the prize being raffled, donations will be greatly appreciated. A ticket must be presented to any individual desiring to receive a ticket who does not make a donation and those not making a donation shall have the same opportunity to win the prize as those making a donation for a ticket.
4. **Suggested Donations:** Suggested donations per ticket shall be in increments \$1.00. The maximum suggested donation per ticket shall be \$5.00. The words "Donation Suggested But Not Required" shall be pre-printed on each ticket. Each individual requesting and receiving a ticket without making a donation shall be documented at the point of ticket distribution. Each individual making a donation for a ticket shall be documented at the point of ticket distribution. The documentation shall include the amount of the donation. See the forms supporting this policy for the required documentation for donations for tickets and tickets issued without donations.
5. **Ticket and Prize Eligibility:** Booster club officers/members, District staff members, and/or other individuals directly responsible for running/organizing the school-sponsored SB 837 Raffle shall not be eligible to receive a ticket or win a prize.
6. **Prize Winner Drawing Process:** Ticket stubs with corresponding numbers to issued tickets shall be drawn by lot for a prize. One ticket stub shall be drawn for each prize if more than one prize is offered. Each prize-winning ticket stub shall be drawn by lot under the supervision of an official (parent, booster club member, staff member) of the school-sponsored organization. A minimum of two adult witnesses shall supervise the drawing of ticket stubs and attest in writing to the accuracy of the drawn, winning ticket stubs. Tickets stubs shall be drawn until a winner is identified. For drawings that do not require the winning ticket holder to be present, the holder of the winning ticket shall be contacted by phone using the information the winning ticket-holder provided on the ticket stub. Should attempts to contact the winning ticket-holder fail, a new winning ticket stub shall be drawn using the process identified in this policy. A new winning ticket stub shall be drawn only after three failed attempts over three business days to contact the holder of the winning ticket. This process shall continue until a winning ticket holder is contacted.
7. **Fair Market Value of Prizes:** The fair market value of any one prize may not exceed \$5,000 and each prize shall be determined prior to beginning the SB 837 Raffle.
8. **Cash as a Prize Prohibited:** Cash is strictly prohibited by this policy as a prize.
9. **Participation by Membership:** Only members of the school or school-organization approved for a SB 837 Raffle as a fund-raiser shall conduct the fund-raiser. Members, as defined for this policy, shall include the parent(s) of a student member and student members of the school or school-sponsored organization, adult members of the booster club, and District staff. Students in grades below the secondary level shall not participate in any



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manner related to the distribution of tickets. No staff member, parent, booster club member, or student shall be coerced or forced to participate in any raffle-related activity under this policy.

10. Communication of Policy: Prior to conducting an approved SB 837 Raffle, sponsors shall explain this policy and provide a copy of this policy to each individual who will be conducting the fund-raiser and/or distributing tickets. In particular, sponsors will stress that a SB 837 Raffle does not require payment of a donation to receive a chance to win the prize being raffled, and those desiring not to make a donation will receive the same chance to win the prize as those making donations.
11. It shall be pre-established by the school or school-sponsored organization and published in writing at each point of ticket distribution for each SB 837 Raffle whether or not a ticket holder must be present in a particular location, on a particular date, and at a particular time in order to claim a prize for a winning ticket number (See forms supporting this policy). If a ticket holder need not be present to win a specified prize, each ticket shall have a place for the ticket holder to write his/her name, address, and phone number.
12. The sponsoring organization may not hire or contract with any person or business to conduct the SB 837 Raffle, to sell tickets, or to solicit contributions in connection with a SB 837 Raffle on its behalf.
13. Post-SB 837 Reconciliation: The sponsoring organization must report in writing to the school's activity account custodian the following information within five days following the SB 837 Raffle drawing:
 - a. Name(s) of the respective SB 837 Raffle winner(s) and respective prize(s), including the fair market value of the prize(s) (see forms supporting this policy).
 - b. The Social Security number, address, and phone number of each respective prize winner (see forms supporting this policy).
 - c. Total raffle tickets distributed by donation (see forms supporting this policy).
 - d. Total raffle tickets distributed without a donation (see forms supporting this policy).
 - e. Total gross receipts (see forms supporting this policy).
 - f. Itemized list of expenses with corresponding costs for each expense item (see forms supporting this policy).
 - g. Net proceeds (total gross receipts minus total expenses (see forms supporting this policy).
 - h. Completed Federal IRS 1099 MISC (if applicable).
 - i. All completed SB 837 Raffle forms.
14. Federal Taxation: The fair market value of the prize(s) must be disclosed to the respective winner(s). If the fair market value of the prize is \$600.00 or more, then the sponsoring organization must issue and IRS Form 1099 MISC to the IRS and the recipient. The school's activity account custodian shall forward copies of the completed IRS Form 1099 MISC to the District's business office.



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15. Depositing SB 837 Raffle Proceeds: Deposits of donations by the school or school-sponsored organization conducting the approved SB 837 Raffle shall be made to the school activity account according to the Board policy and Administrative Regulations.

16. If HB 837 of 2003 ceases to have the force and effect of law the provisions of this policy provided under the “EXCEPTION” section through item number 16 above shall cease to have the force and effect of approved policy for Broken Arrow Public Schools.

Source: *Broken Arrow Board of Education policy adoption, May 2, 1977.*
 Broken Arrow Board of Education policy revised, October 17, 2005.
 Broken Arrow Board of Education policy revised, July 13, 2009.
 Broken Arrow Board of Education policy revised, July 10, 2017.