



August 12, 2003
(Revised 2/7/02)
(Original 8/8/00)

Charitable Gaming
Directive No. 6.01.01

Charity Game Ticket (Supplier)

BACKGROUND

Suppliers shall comply with Act 382 of the Public Acts of 1972, as amended, and the charitable gaming rules.

CONTRACT

1. A supplier shall have a valid contract with the bureau to purchase and sell charity game tickets.

SUPPLIER PAYMENT FOR CHARITY GAME TICKETS

2. Checks shall be made payable to "State of Michigan" and remitted with a copy of the invoice to Accounting on or before the due date specified on the invoice.
3. An unpaid invoice shall be considered delinquent the day following the due date.
4. Once an invoice becomes delinquent, the supplier may not place an order until two business days after the delinquent invoice is paid.
5. When a non-sufficiently funded check results in an invoice not being paid on time, that invoice will be considered delinquent.

SUPPLIER SALES PROMOTIONS

6. Monetary premiums, gift certificates, discounts, or rebates shall not be allowed.
7. Upon request, the supplier must provide to the bureau a list of all promotional merchandise given to a licensee or a representative of a licensee for a specific time frame and/or a specific organization.

SUPPLIER REPORTING

8. Suppliers shall accurately report all charity game ticket transactions monthly to the bureau by the 10th day of the month following the month being reported.
 9. Suppliers whose charity game ticket purchases from the bureau exceeded \$800,000 in any fiscal year (October 1 to September 30) shall submit charity game ticket invoice information electronically in accordance with the Supplier Electronic Reporting Requirements issued by the bureau.
 10. Any supplier who is not required to submit their information electronically, as described in number 8 of this directive, may choose to submit charity game ticket information electronically in accordance with the Supplier Electronic Reporting Requirements issued by the bureau.
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11. Once a supplier submits charity game ticket invoice information electronically to the bureau, they must continue to do so unless otherwise instructed in writing by the bureau.
12. All new suppliers will be required to submit charity game ticket invoice information electronically in accordance with the Supplier Electronic Reporting Requirements issued by the bureau, unless otherwise instructed in writing by the bureau.
13. Suppliers that do not submit invoice information electronically shall submit a copy of all invoices and credit memos supporting the month's transactions in accordance with item 8.

DEFECTIVE TICKETS

14. Suppliers shall accept the return of a box of charity game tickets which they originally sold that are defective, contain extra winning and/or losing tickets, or contain defects that in any other way compromise the integrity of the game due to a manufacturing error.
15. The supplier shall do the following:
 - a. Verify the defect.
 - b. Provide the organization with a replacement box, refund, or credit.
 - c. Record the transaction on an invoice or credit memo.
 - d. Contact the ticket manufacturer to report the defective tickets. Destroy the tickets or forward them to the manufacturer, as directed by the manufacturer.
 - e. Complete and submit to the manufacturer a Charity Game Ticket Return Form, as provided by the manufacturer.
 - f. If the organization pays out more in prizes than it made in revenue due to defective tickets, the supplier shall indicate the organization's loss on the Charity Game Ticket Return Form. When an organization claims a loss, the remaining tickets and paid prizes shall be verified by the supplier and tickets forwarded to the manufacturer, if requested.

ADMINISTRATIVE ACTION

16. Failure to comply with this directive, including the submission of inaccurate or incomplete information, late reporting, or multiple delinquencies, may result in the termination of the Michigan Bureau of State Lottery Supplier Contract for the Purchase and Sale of Charity Game Tickets.

Signed copy available upon request

Gary C. Peters, Commissioner

Date