



INSPECTOR GENERAL ALERT

Fundraising via Raffles

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City of Tallahassee employees have a rich history of generously contributing to non-profit organizations established for various causes. Some of the organizations City employees have contributed to include the United Way, the American Cancer Society, and the American Heart Association. To encourage contributions to non-profit organizations, different departments and areas of the City have sold tickets with the potential to win a prize based on being selected by chance (e.g., raffle). A portion or all the proceeds generated from the sale of raffle tickets is then remitted to the non-profit organization for which the raffle was conducted as a contribution.

While our aim is not to discourage raising money or otherwise contributing to these organizations, and there is no argument as to their philanthropy, City employees must do so responsibly. This means being aware of the State laws regulating gambling, including raffles. By having that awareness, City employees can continue contributing to those organizations in ways that do not put the City and them at risk of inadvertently not complying with State laws.



Chapter 849, Florida Statutes (F.S.), regulates gambling in Florida and prohibits any person from promoting or conducting a lottery for money or anything of value. What this means is that there is a high likelihood some of the raffles conducted in the past may have conflicted with Florida law. Certain organizations, however, are allowed to conduct drawings by chance (e.g., raffles) if they have qualified to be tax-exempt under certain Internal Revenue Codes (26 U.S.C. s. 501(c)(3), (4), (7), (8), (10), or (19)) and have complied with all applicable provisions of Chapter 496 and Section 849.0935, F.S. Those provisions include, but are not limited to, allowing participation without any purchase or contribution, disclosing certain information, and making it unlawful not to award a prize won.

We encourage City of Tallahassee employees to continue the tradition of generously contributing to non-profit organizations, and are proud of those endeavors, but unless you are a specified type of tax-exempt organization and understand the regulations allowing those organizations to conduct raffles, please fundraise in ways that do not involve giving away money or anything of value (e.g., gift card) by chance. Examples of fundraising activities that can be used to raise charitable donations other than raffles include food/bake sales, silent auctions, dunk tanks, walks and other sporting events, and allowing employees to wear jeans. Many more ideas are available on non-profit organization websites and in fundraising guides often published by larger non-profit organizations.