



Guidelines for Prize Funds

When you conduct a tournament, you undertake a moral and legal obligation that all tournament prize money (excluding interest) is held in trust for the exclusive benefit of tournament participants. This prize money cannot be used for any other purpose.

Free or Reduced Entries

Tournament management may offer free or reduced entry fees. We recommend the reduction or free entry and how it is obtained be clearly stated within the entry form or rules. When free entries are offered or fees are reduced, management must add the equivalent prize portion to the prize fund.

In instances where a tournament charges a higher fee for late or walk-in entries, the additional amount charged is designated as a late fee within the rules or entry form. The amount may be added to the prize fund, but must be designated as a late fee or charge.

Tournament Prize Information

Top-Heavy Prizes, Unrealistic Distribution of Prize Money

One “rich” winner never took the place of several unhappy entrants who did not get their fair share of the prize money!

Overestimating

“Shooting for the moon” can capture attention, but it could also create resentment which years of sound operation cannot erase. It’s better to pay out more prize money than you advertised than the other way around!

Guaranteeing Prizes

USBC cautions tournaments considering Guaranteed Prizes. Guaranteed prize could result in an obligation greater than the published guarantee amounts. See the document about Guaranteed Prizes for more details.

Merchandise Prizes

Unless tournament rules state otherwise, the amount expended from the prize fund for a merchandise prize determines the application of the formula in Rule 308, Item e. For example, a trip valued at \$5000 as a first place prize requires at least a \$2500 second position prize and no less than \$12,500 in total cash and merchandise prizes.

Sample prize list

Be sure of a balanced prize list like this one, based on 100 entries at a \$5 prize fee each:

- | | |
|--------------------------------|-------------------------------------------------------------|
| 1. \$200 (40% Maximum) | 7. \$15 |
| 2. \$100 (Half of first place) | 8. \$12 |
| 3. \$60 | 9. \$10 |
| 4. \$40 | 10. \$7 |
| 5. \$25 | 11. \$6 |
| 6. \$20 | 12. \$5 (Equal to prize fee including all last place ties.) |

Total prize fund, \$500 (Can be adjusted for any size tournament)

Special Features

Optional prize fees are permitted in Rule 307 for special features, such as high single game score, in an event or division of an event. The following provisions must be observed unless tournament rules state otherwise:

1. Entry in the optional feature must be open to all tournament entrants.
2. USBC prize formula applies.
3. Prizes shall comply with the formula used for payment of regular prizes.

Note: Any changes in fees should be listed separately on the financial report.

Distribution

The prize fund must be paid to the participants as follows:

1. All prize money collected in an event or division of an event must be returned to the participants in that event or division of that event, except where replacements or correction of averages require a change of classification. In that case, prizes are distributed to reflect the actual number of participants in the event or division of the event.

Example: If you have \$1,000 in prize money in the doubles event and \$500 in the singles event, you must return at least \$1,000 back to the doubles participants and \$500 back to the singles participants. You cannot pay out \$750 in doubles and \$750 in singles prizes. Prize money shall not be transferred from one event to another. In other words, you cannot co-mingle prize funds of two or more events. (Rule 308)

2. The last place prize, including those paid for each last place tie, must be equal to at least the amount of the prize fee in the event unless tournament rules state otherwise.

Example: The prize fee portion of the entry fee is \$10. Based on this rule, the last place position prize would have to be \$10 or greater. Even if you had a tie for last place, the teams or individuals tied would have to receive a minimum of \$10 each.

3. In team, doubles and singles events, there shall be at least one prize for each 10 entries or major fraction thereof unless tournament rules state otherwise. (Rule 308, Item b) The key words here are "at least." We recommend they be added to any tournament prize ratio. This allows you to pay more position prizes than the advertised prize ratio. We do not recommend a prize ratio that locks you in.

Example: "One prize for every 10 entries or 1-10." Based on 100 entries, you would be obligated for 10 position prizes. No more, no less

4. In an all events feature or special events feature, the ratio of return must be at least one to 20 or major fraction thereof unless tournament rules state otherwise. (Rule 306)
5. If special prizes exceed 25 percent of the prize fund in an event or division of an event, and a bowler or team can qualify for both a special and position prize, all prizes won by a bowler or team count as one prize to determine the ratio of one prize for each 10 entries unless tournament rules state otherwise. (Rule 308, Item c)

Special prizes may include, but are not limited to, the following:

1. Scratch prizes in a handicap event.
2. Single game prizes.
3. Limited group prizes, such as early bird, average category, sponsor and weekend prizes, etc.

Squad prizes to which all participants in an event are eligible are not defined as special prizes.