



STATE OF ARKANSAS  
ARKANSAS LOTTERY COMMISSION

Post Office Box 3238  
Little Rock, Arkansas 72203-3238  
Phone: (501) 683-2000  
Fax: (501) 683-1878  
<http://myarkansaslottery.com>

September 10, 2013

The Honorable Mike Beebe  
Governor of Arkansas  
State Capitol  
Little Rock, AR 72201

**RE: Monthly Disclosure Reports**

Dear Governor Beebe:

On behalf of our agency and the Commissioners of the Arkansas Lottery Commission, please accept the attached monthly disclosure reports pursuant to §§ 23-115-206 and 23-115-302 for the month of August 2013. The report contains the following information:

1. Contracts Awarded
2. Debt Set-Off Collections
3. Retailer Losses
4. Breakdown of Lottery Sales per County
5. Total Number of Retailers
6. Total Lottery Revenue
7. Prize Disbursements
8. Operating Expenses
9. Net Assets
10. Administrative Expenses
11. Unclaimed Prize Report
12. Arkansas Lottery Commission Minority- and Female-owned Business Report
13. Arkansas Lottery Commission Vendor Minority- and Female-owned Business Report
14. Arkansas Lottery Commission Demographics
15. Internal Auditor Report
16. Instant Ticket Games Released

Please call me if you have any questions or need additional information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bishop Woosley".

Bishop Woosley  
Director

Enclosures

cc: Dr. George Hammons, Chairman, Arkansas Lottery Commission



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September 10, 2013

The Honorable Robert Thompson, Co-Chair  
The Honorable Mark Perry, Co-Chair  
Arkansas Lottery Commission Legislative Oversight Committee  
One Capitol Mall, Room R-501  
Little Rock, AR 72201

**RE: Monthly Disclosure Reports**

Gentlemen:

On behalf of our agency and the Commissioners of the Arkansas Lottery Commission, please accept the attached monthly disclosure reports pursuant to §§ 23-115-206 and 23-115-302 for the month of August 2013. The report contains the following information:

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cc: Dr. George Hammons, Chairman, Arkansas Lottery Commission

**Arkansas Lottery Commission Term Contracts for Goods and Services  
August 1 through August 31, 2013**

No term contracts were entered into by the Arkansas Lottery Commission during the month of August 2013.

**Arkansas Lottery Commission  
Debt Set-Off / Retailer Losses  
August 2013**

**1. Debt Set-Off:**

a.	Department of Finance and Administration	\$ 15,875.46
b.	Office of Child Support Enforcement - Child Support	<u>\$ 6,485.07</u>
	Total Debt Set-Off:	\$ 22,360.53

**2. Retailer losses for period August 1 through August 31, 2013: None.**

**ARKANSAS LOTTERY COMMISSION  
RETAIL SALES BY COUNTY  
August 1 through August 31, 2013**

COUNTY	ARKANSAS 50/50	CASH 3	CASH 4	DECADES OF DOLLARS	FAST PLAY	INSTANT SETTLEMENTS	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$75.00	\$5,917.00	\$7,382.50	\$2,222.00	\$22,341.00	\$394,900.00	\$9,884.00	\$5,504.00	\$47,773.00	\$495,998.50
ASHLEY	\$55.00	\$6,859.50	\$8,816.00	\$1,024.00	\$5,066.00	\$102,900.00	\$4,454.00	\$1,586.00	\$26,488.00	\$157,248.50
BAXTER	\$190.00	\$2,500.00	\$2,297.00	\$3,924.00	\$13,104.00	\$296,078.00	\$14,985.00	\$9,230.00	\$71,932.00	\$414,240.00
BENTON	\$680.00	\$4,448.50	\$2,411.50	\$9,892.00	\$14,854.00	\$681,496.00	\$51,813.00	\$12,305.00	\$286,030.00	\$1,063,930.00
BOONE	\$285.00	\$2,168.50	\$2,678.00	\$1,622.00	\$9,371.00	\$368,998.00	\$10,262.00	\$3,234.00	\$57,737.00	\$456,355.50
BRADLEY	\$20.00	\$854.00	\$887.50	\$582.00	\$2,298.00	\$123,300.00	\$2,612.00	\$1,607.00	\$12,295.00	\$144,455.50
CALHOUN	\$0.00	\$1,296.50	\$301.50	\$326.00	\$396.00	\$34,200.00	\$863.00	\$668.00	\$4,092.00	\$42,143.00
CARROLL	\$115.00	\$912.50	\$1,020.50	\$1,152.00	\$7,117.00	\$215,100.00	\$7,734.00	\$2,400.00	\$34,341.00	\$269,892.00
CHICOT	\$95.00	\$5,416.50	\$3,524.00	\$2,518.00	\$1,882.00	\$132,496.00	\$16,903.00	\$4,122.00	\$91,423.00	\$258,379.50
CLARK	\$85.00	\$2,665.50	\$1,316.50	\$1,452.00	\$5,762.00	\$264,300.00	\$8,448.00	\$2,807.00	\$40,527.00	\$327,363.00
CLAY	\$40.00	\$291.00	\$127.50	\$726.00	\$465.00	\$73,500.00	\$1,908.00	\$755.00	\$11,270.00	\$89,082.50
CLEBURNE	\$155.00	\$1,188.00	\$641.50	\$2,700.00	\$6,345.00	\$240,896.00	\$11,401.00	\$7,242.00	\$55,658.00	\$326,226.50
CLEVELAND	\$25.00	\$357.00	\$435.50	\$268.00	\$1,524.00	\$48,600.00	\$1,834.00	\$631.00	\$8,572.00	\$62,246.50
COLUMBIA	\$45.00	\$11,935.00	\$9,011.50	\$1,702.00	\$18,770.00	\$195,600.00	\$5,023.00	\$3,479.00	\$25,691.00	\$271,256.50
CONWAY	\$135.00	\$5,911.00	\$2,462.00	\$2,152.00	\$8,410.00	\$354,000.00	\$12,583.00	\$5,394.00	\$52,596.00	\$443,643.00
CRAIGHEAD	\$520.00	\$9,898.50	\$5,000.50	\$4,768.00	\$30,874.00	\$947,121.00	\$27,418.00	\$11,424.00	\$164,528.00	\$1,201,552.00
CRAWFORD	\$330.00	\$2,523.50	\$980.00	\$3,146.00	\$2,908.00	\$244,500.00	\$17,761.00	\$8,462.00	\$92,482.00	\$373,092.50
CRITTENDEN	\$335.00	\$15,367.00	\$14,767.00	\$3,698.00	\$12,917.00	\$433,500.00	\$25,675.00	\$8,338.00	\$136,321.00	\$650,918.00
CROSS	\$60.00	\$1,378.50	\$1,574.50	\$876.00	\$13,110.00	\$167,480.00	\$4,569.00	\$2,380.00	\$26,496.00	\$217,924.00
DALLAS	\$15.00	\$1,716.00	\$668.00	\$576.00	\$3,776.00	\$115,500.00	\$3,306.00	\$1,500.00	\$14,064.00	\$141,121.00
DESHA	\$60.00	\$2,040.00	\$879.50	\$652.00	\$466.00	\$126,600.00	\$4,998.00	\$3,113.00	\$26,654.00	\$165,462.50
DREW	\$100.00	\$767.50	\$659.50	\$1,368.00	\$2,336.00	\$146,607.00	\$5,189.00	\$2,698.00	\$29,723.00	\$189,448.00
FAULKNER	\$720.00	\$7,976.50	\$5,380.50	\$8,610.00	\$13,969.00	\$899,784.00	\$39,162.00	\$16,162.00	\$190,561.00	\$1,182,325.00
FRANKLIN	\$110.00	\$893.00	\$177.50	\$1,136.00	\$5,904.00	\$127,800.00	\$6,533.00	\$2,577.00	\$33,010.00	\$178,140.50
FULTON	\$40.00	\$375.50	\$112.50	\$308.00	\$387.00	\$42,900.00	\$2,246.00	\$992.00	\$8,860.00	\$56,221.00
GARLAND	\$850.00	\$5,817.50	\$5,200.00	\$11,742.00	\$27,791.00	\$717,885.00	\$50,030.00	\$24,104.00	\$232,969.00	\$1,076,388.50
GRANT	\$70.00	\$366.00	\$166.50	\$992.00	\$2,512.00	\$114,273.00	\$6,360.00	\$2,820.00	\$27,444.00	\$155,003.50
GREENE	\$365.00	\$992.50	\$637.50	\$1,908.00	\$4,818.00	\$446,600.00	\$12,652.00	\$4,949.00	\$69,631.00	\$542,553.00
HEMPSTEAD	\$55.00	\$22,993.00	\$10,072.00	\$892.00	\$3,910.00	\$246,562.00	\$6,675.00	\$3,046.00	\$28,922.00	\$323,127.00
HOT SPRING	\$90.00	\$2,303.50	\$1,330.50	\$2,152.00	\$6,326.00	\$232,147.00	\$9,991.00	\$6,160.00	\$47,452.00	\$307,952.00

**ARKANSAS LOTTERY COMMISSION**  
**RETAIL SALES BY COUNTY**  
**August 1 through August 31, 2013**

COUNTY	ARKANSAS 50/50	CASH 3	CASH 4	DECADES OF DOLLARS	FAST PLAY	INSTANT SETTLEMENTS	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$65.00	\$14,141.00	\$5,043.50	\$608.00	\$3,470.00	\$132,300.00	\$4,547.00	\$1,396.00	\$18,538.00	\$180,108.50
INDEPENDENCE	\$250.00	\$3,021.00	\$945.50	\$2,872.00	\$17,907.00	\$581,670.00	\$13,919.00	\$8,181.00	\$65,037.00	\$693,802.50
IZARD	\$95.00	\$367.50	\$221.50	\$540.00	\$7,097.00	\$70,996.00	\$3,299.00	\$1,506.00	\$14,175.00	\$98,297.00
JACKSON	\$70.00	\$8,957.00	\$5,333.50	\$2,002.00	\$3,994.00	\$297,600.00	\$8,085.00	\$5,208.00	\$37,481.00	\$368,730.50
JEFFERSON	\$435.00	\$31,763.00	\$26,507.50	\$7,948.00	\$46,010.00	\$1,129,163.00	\$35,028.00	\$25,176.00	\$159,156.00	\$1,461,186.50
JOHNSON	\$200.00	\$678.50	\$850.00	\$1,098.00	\$3,440.00	\$184,200.00	\$7,894.00	\$3,214.00	\$34,410.00	\$235,984.50
LAFAYETTE	\$15.00	\$2,471.00	\$1,434.50	\$378.00	\$1,002.00	\$54,300.00	\$1,371.00	\$986.00	\$6,590.00	\$68,547.50
LAWRENCE	\$75.00	\$1,223.50	\$404.50	\$950.00	\$2,920.00	\$211,500.00	\$3,278.00	\$1,576.00	\$19,910.00	\$241,837.00
LEE	\$25.00	\$2,102.50	\$2,404.00	\$236.00	\$872.00	\$65,400.00	\$1,334.00	\$657.00	\$10,017.00	\$83,047.50
LINCOLN	\$190.00	\$533.50	\$155.00	\$226.00	\$1,227.00	\$69,000.00	\$2,740.00	\$2,295.00	\$13,558.00	\$89,924.50
LITTLE RIVER	\$25.00	\$3,158.00	\$1,814.00	\$720.00	\$1,465.00	\$77,100.00	\$2,886.00	\$1,412.00	\$12,205.00	\$100,785.00
LOGAN	\$145.00	\$624.50	\$163.00	\$1,274.00	\$4,075.00	\$181,500.00	\$6,831.00	\$3,501.00	\$32,388.00	\$230,501.50
LONOKE	\$345.00	\$5,912.00	\$3,798.00	\$6,082.00	\$22,249.00	\$849,679.00	\$29,264.00	\$12,034.00	\$148,569.00	\$1,077,932.00
MADISON	\$10.00	\$96.50	\$28.00	\$320.00	\$429.00	\$45,300.00	\$2,928.00	\$1,176.00	\$13,203.00	\$63,490.50
MARION	\$35.00	\$1,421.00	\$429.00	\$1,768.00	\$6,872.00	\$117,300.00	\$5,260.00	\$3,130.00	\$24,180.00	\$160,395.00
MILLER	\$85.00	\$24,776.50	\$8,527.50	\$1,706.00	\$4,229.00	\$346,200.00	\$11,186.00	\$3,774.00	\$47,086.00	\$447,570.00
MISSISSIPPI	\$270.00	\$34,285.00	\$17,177.50	\$1,458.00	\$6,441.00	\$376,116.00	\$10,242.00	\$2,890.00	\$58,567.00	\$507,446.50
MONROE	\$45.00	\$3,494.00	\$1,437.50	\$810.00	\$5,026.00	\$100,539.00	\$4,255.00	\$2,000.00	\$22,293.00	\$139,899.50
MONTGOMERY	\$10.00	\$33.00	\$32.00	\$230.00	\$3,538.00	\$18,300.00	\$1,728.00	\$724.00	\$9,080.00	\$33,675.00
NEVADA	\$45.00	\$3,750.00	\$611.00	\$1,044.00	\$10,057.00	\$174,600.00	\$3,861.00	\$1,740.00	\$16,835.00	\$212,543.00
NEWTON	\$40.00	\$86.50	\$15.00	\$242.00	\$1,371.00	\$63,000.00	\$1,454.00	\$546.00	\$5,573.00	\$72,327.50
OUACHITA	\$70.00	\$11,582.00	\$5,881.50	\$1,620.00	\$19,696.00	\$388,800.00	\$8,416.00	\$5,351.00	\$41,925.00	\$483,341.50
PERRY	\$65.00	\$401.00	\$236.00	\$580.00	\$2,582.00	\$75,300.00	\$3,446.00	\$1,388.00	\$15,198.00	\$99,196.00
PHILLIPS	\$120.00	\$6,551.00	\$4,712.50	\$1,586.00	\$1,593.00	\$160,700.00	\$9,855.00	\$2,402.00	\$53,011.00	\$240,530.50
PIKE	\$30.00	\$226.00	\$21.50	\$602.00	\$6,230.00	\$66,300.00	\$3,429.00	\$1,648.00	\$16,516.00	\$95,002.50
POINSETT	\$85.00	\$4,277.50	\$1,709.50	\$860.00	\$7,318.00	\$334,100.00	\$7,012.00	\$4,316.00	\$40,773.00	\$400,451.00
POLK	\$55.00	\$407.50	\$76.50	\$1,022.00	\$940.00	\$108,000.00	\$5,825.00	\$2,161.00	\$27,747.00	\$146,234.00
POPE	\$385.00	\$5,367.50	\$2,576.00	\$5,144.00	\$14,333.00	\$651,300.00	\$23,226.00	\$11,001.00	\$115,514.00	\$828,846.50
PRAIRIE	\$10.00	\$2,537.50	\$1,239.50	\$626.00	\$4,455.00	\$175,500.00	\$3,271.00	\$1,437.00	\$19,049.00	\$208,125.00
PULASKI	\$2,005.00	\$94,771.50	\$73,152.00	\$43,746.00	\$146,642.00	\$4,756,529.00	\$202,560.00	\$99,136.00	\$913,524.00	\$6,332,065.50
RANDOLPH	\$15.00	\$89.50	\$89.00	\$1,328.00	\$1,163.00	\$116,700.00	\$3,929.00	\$1,613.00	\$19,875.00	\$144,801.50

**ARKANSAS LOTTERY COMMISSION  
RETAIL SALES BY COUNTY  
August 1 through August 31, 2013**

COUNTY	ARKANSAS 50/50	CASH 3	CASH 4	DECADES OF DOLLARS	FAST PLAY	INSTANT SETTLEMENTS	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$80.00	\$10,651.50	\$6,889.00	\$1,028.00	\$6,440.00	\$240,600.00	\$8,268.00	\$2,864.00	\$43,773.00	\$320,593.50
SALINE	\$780.00	\$7,260.00	\$3,590.00	\$8,790.00	\$25,241.00	\$899,400.00	\$42,399.00	\$17,045.00	\$203,197.00	\$1,207,702.00
SCOTT	\$25.00	\$91.50	\$47.00	\$368.00	\$726.00	\$79,854.00	\$2,940.00	\$1,315.00	\$14,782.00	\$100,148.50
SEARCY	\$25.00	\$2,932.00	\$892.00	\$584.00	\$4,792.00	\$85,800.00	\$2,485.00	\$1,017.00	\$10,861.00	\$109,388.00
SEBASTIAN	\$870.00	\$14,280.50	\$4,606.00	\$8,184.00	\$18,228.00	\$633,615.00	\$47,195.00	\$19,687.00	\$228,774.00	\$975,439.50
SEVIER	\$20.00	\$2,166.00	\$603.50	\$532.00	\$1,171.00	\$100,500.00	\$4,169.00	\$1,397.00	\$20,573.00	\$131,131.50
SHARP	\$160.00	\$778.50	\$236.50	\$1,102.00	\$6,057.00	\$211,081.00	\$5,934.00	\$2,788.00	\$28,103.00	\$256,240.00
STONE	\$55.00	\$941.00	\$378.00	\$702.00	\$2,730.00	\$70,800.00	\$3,155.00	\$1,626.00	\$14,649.00	\$95,036.00
UNION	\$185.00	\$39,606.50	\$22,441.00	\$2,480.00	\$6,106.00	\$551,454.00	\$15,178.00	\$6,322.00	\$76,422.00	\$720,194.50
VAN BUREN	\$90.00	\$1,143.00	\$310.50	\$836.00	\$1,417.00	\$133,200.00	\$5,286.00	\$2,270.00	\$29,294.00	\$173,846.50
WASHINGTON	\$655.00	\$12,842.50	\$5,857.00	\$11,604.00	\$20,870.00	\$1,083,505.00	\$66,598.00	\$20,539.00	\$324,681.00	\$1,547,151.50
WHITE	\$305.00	\$5,646.00	\$2,620.00	\$4,406.00	\$28,847.00	\$1,103,100.00	\$24,324.00	\$12,652.00	\$124,462.00	\$1,306,362.00
WOODRUFF	\$35.00	\$2,465.00	\$460.00	\$282.00	\$1,593.00	\$81,000.00	\$2,837.00	\$1,123.00	\$14,269.00	\$104,064.00
YELL	\$40.00	\$397.50	\$52.50	\$1,376.00	\$3,963.00	\$144,886.00	\$7,133.00	\$3,071.00	\$27,965.00	\$188,884.00

<b>GRAND TOTALS</b>	<b>*Arkansas 50/50</b>	<b>*Cash 3</b>	<b>*Cash 4</b>	<b>*Decades of Dollars</b>	<b>*Fast Play</b>	<b>*Instant</b>	<b>*Mega Millions</b>	<b>*Natural State Jackpot</b>	<b>*Powerball</b>	<b>*Totals</b>
	\$14,360.00	\$498,437.00	\$306,928.00	\$206,986.00	\$736,533.00	\$25,933,410.00	\$1,053,532.00	\$466,980.00	\$5,149,330.00	\$34,366,496.00

\*Estimates

**Arkansas Lottery Commission  
Total Number of Active Retailers  
August 2013**

There were 1,902 active retailers as of August 31, 2013.

**Arkansas Lottery Commission**  
**Statement of Net Position**  
**August 31, 2013**

**ASSETS**

**Current assets:**

Cash and Cash Equivalents	\$ 3,948,248.97
Restricted Assets:	
Cash and cash equivalents	8,490,248.44
Accounts receivable	11,402,219.62
Prepaid items	<u>100,011.61</u>
 Total current assets	 <u>23,940,728.64</u>

**Noncurrent assets:**

Restricted assets:	
Cash and cash equivalents	20,075,274.99
Deposits with Multi-State Lottery Association	1,796,950.34
Capital assets:	
Equipment	526,664.88
Leasehold Improvements	498,416.68
Less accumulated depreciation	<u>(697,069.78)</u>
 Total noncurrent assets	 <u>22,200,237.11</u>
 Total assets	 <u>\$ 46,140,965.75</u>

**LIABILITIES**

**Current liabilities:**

Accounts payable	\$ 338,201.30
Prizes payable	16,858,030.77
Accrued and other liabilities	1,265,861.81
Due to other funds	1,526,255.31
Due to ADHE	6,655,702.17
Compensated absences	<u>263,332.44</u>
 Total current liabilities	 <u>26,907,383.80</u>

**Long-Term liabilities:**

Net OPEB Obligation	<u>727,279.68</u>
 Total liabilities	 <u>27,634,663.48</u>

**Deferred inflows:**

Unearned revenue	<u>259,671.18</u>
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**NET POSITION**

**Net position:**

Invested in capital assets	328,011.78
Restricted:	
Scholarship shortfall fund	20,000,000.00
Retailer fidelity fund	75,274.99
Deposits with Multi-State Lottery Asso.	1,796,950.34
Unclaimed Prize Fund	1,834,546.27
Unrestricted	<u>(5,788,152.29)</u>
 Total net position	 <u>18,246,631.09</u>
 Total liabilities, deferred inflows & net position	 <u>\$ 46,140,965.75</u>

**Arkansas Lottery Commission**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Two Months Ended August 31, 2013**

	Current month	Year to date
<b>Operating revenues:</b>		
Instant ticket sales	\$ 25,931,695.00	\$ 52,285,685.00
Online ticket sales	8,493,940.50	15,175,222.50
Retailer application, fidelity and service fees	45,488.20	86,877.55
Other revenue	<u>199.48</u>	<u>2,313.43</u>
 Total operating revenues	 <u>34,471,323.18</u>	 <u>67,550,098.48</u>
 <b>Operating expenses:</b>		
Instant game prizes	18,792,162.48	37,143,710.31
Online game prizes	4,460,307.40	7,879,367.74
Retailer commissions	1,915,971.95	3,769,568.42
Gaming contract costs	1,608,753.42	3,267,250.39
Compensation and benefits	459,077.72	933,246.02
Marketing, advertising and promotions	248,045.77	474,649.74
General and administrative expenses	125,721.94	255,387.23
Services provided by ADHE	68,333.00	136,666.00
Services provided by Legislative Audit Agency	22,900.00	45,800.00
Legal and professional services	45.00	95.00
Depreciation	<u>15,179.89</u>	<u>30,359.78</u>
 Total operating expenses	 <u>27,716,498.57</u>	 <u>53,936,100.63</u>
 Operating income	 6,754,824.61	 13,613,997.85
 <b>Nonoperating revenue (expense):</b>		
Interest income	32,838.01	64,022.23
Other Non Operating Income	<u></u>	<u>(45,575.46)</u>
 Income before transfers	 6,787,662.62	 13,632,444.62
 Transfers to:		
Trust Account for ADHE	(6,401,829.10)	(11,293,200.79)
Arkansas Department of Human Services		
 Transfers from:		
Transfers from ADHE	<u></u>	<u>0.00</u>
 Change in net position	 <u>\$ 385,833.52</u>	 <u>2,339,243.83</u>
 Total net position - beginning		<u>15,907,387.26</u>
Total net position - ending		<u>\$ 18,246,631.09</u>

**Arkansas Lottery Commission**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Two Months Ended August 31, 2013**

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
<b>Operating Revenues</b>										
Instant Games	\$25,931,695.00	75.23	\$29,458,333.00	82.28	\$(3,526,638.00)	\$ 52,285,685.00	77.40	\$57,629,166.00	81.07	\$ (5,343,481.00)
OnLine Games	8,493,940.50	24.64	6,298,993.00	17.59	2,194,947.50	15,175,222.50	22.47	13,370,531.00	18.81	1,804,691.50
Retailer application, fidelity	45,488.20	0.13	44,500.00	0.12	988.20	86,877.55	0.13	90,000.00	0.13	(3,122.45)
Other Revenue	199.48	0.00	500.00	0.00	(300.52)	2,313.43	0.00		0.00	2,313.43
<b>Total Operating Revenues</b>	<u>34,471,323.18</u>	100.00	<u>35,802,326.00</u>	100.00	<u>(1,331,002.82)</u>	<u>67,550,098.48</u>	100.00	<u>71,089,697.00</u>	100.00	<u>(3,539,598.52)</u>
<b>Operating Expenses</b>										
Instant Game Prizes	18,792,162.48	54.52	20,823,314.97	58.16	(2,031,152.49)	37,143,710.31	54.99	40,557,139.63	57.05	(3,413,429.32)
On-Line Game Prizes	4,460,307.40	12.94	3,203,919.03	8.95	1,256,388.37	7,879,367.74	11.66	6,751,587.37	9.50	1,127,780.37
Retailer Commissions	1,915,971.95	5.56	2,021,992.00	5.65	(106,020.05)	3,769,568.42	5.58	4,017,365.00	5.65	(247,796.58)
Gaming Contract Costs	1,608,753.42	4.67	1,842,505.00	5.15	(233,751.58)	3,267,250.39	4.84	3,658,475.00	5.15	(391,224.61)
Staff Compensation & Benefits	459,077.72	1.33	534,862.00	1.49	(75,784.28)	933,246.02	1.38	1,092,526.00	1.54	(159,279.98)
Marketing, Advertising & Promo	248,045.77	0.72	375,000.00	1.05	(126,954.23)	474,649.74	0.70	750,000.00	1.06	(275,350.26)
General and administrative ex	125,721.94	0.36	114,167.00	0.32	11,554.94	255,387.23	0.38	228,333.00	0.32	27,054.23
Services Provided by Other Age	91,233.00	0.26	129,166.00	0.36	(37,933.00)	182,466.00	0.27	258,333.00	0.36	(75,867.00)
Legal and Professional Service	45.00	0.00	2,083.00	0.01	(2,038.00)	95.00	0.00	4,166.00	0.01	(4,071.00)
Capital asset depreciation	15,179.89	0.04	15,417.00	0.04	(237.11)	30,359.78	0.04	30,833.00	0.04	(473.22)
<b>Total Operating Expenses</b>	<u>27,716,498.57</u>	80.40	<u>29,062,426.00</u>	81.17	<u>(1,345,927.43)</u>	<u>53,936,100.63</u>	79.85	<u>57,348,758.00</u>	80.67	<u>(3,412,657.37)</u>
<b>Operating Income</b>	6,754,824.61	19.60	6,739,900.00	18.83	14,924.61	13,613,997.85	20.15	13,740,939.00	19.33	(126,941.15)
<b>Non-Operating Revenue (Expense)</b>	-				-	(45,575.46)				(45,575.46)
Interest Income	32,838.01	0.10	20,000.00	0.06	12,838.01	64,022.23	0.09	40,000.00	0.06	24,022.23
<b>Income before transfers</b>	<u>\$ 6,787,662.62</u>	19.69	<u>\$ 6,759,900.00</u>	18.88	<u>\$ 27,762.62</u>	<u>\$ 13,632,444.62</u>	20.18	<u>\$13,780,939.00</u>	19.39	<u>\$ (148,494.38)</u>

**Arkansas Scholarship Commission**  
**Net Proceeds Transfer to Ed Trust Computation**  
**Modified Cash Basis**  
**For the Two Months Ended August 31, 2013**

	Year to date	
<b>Operating revenues:</b>		
Instant ticket SETTLEMENTS	\$ 51,712,950.00	
Online ticket sales	15,175,222.50	
A/R write-offs		
Retailer application, fidelity and service fees	86,877.55	
Other revenue	2,313.43	
	<hr/>	
Total operating revenues	66,977,363.48	
 <b>Operating expenses:</b>		
Instant game prizes SETTLEMENTS	38,078,014.00	
Online game prizes	7,879,367.74	
Retailer commissions	3,769,568.42	
Gaming contract costs	3,267,250.39	
Compensation and benefits	933,246.02	
Marketing, advertising and promotions	474,649.74	
General and administrative expenses	255,387.23	
Services provided by ADHE	136,666.00	
Services provided by Legislative Audit Agency	45,800.00	
Legal and professional services	95.00	
Current year Capital Asset cost	0.00	
	<hr/>	
Total operating expenses	54,840,044.54	
 Change in net proceeds from operations	 12,137,318.94	
 <b>Nonoperating revenue (expense):</b>		
Interest Income	64,022.23	
Other Non Operating Income	(45,575.46)	
EDUCATION TRUST FUNDING-Current Year	(4,891,371.69)	
Less Act 1180 Unclaimed Prizes	(834,546.27)	
Less Transfer to ADHS	0.00	
Less Current year Fidelity Fund fees	(4,688.30)	restricted fund
Less Current year MUSL Reserves additions	(23,330.35)	see 23-115-103(17) and (19)(A)&(B)

**NET PROCEEDS EARNED-Current Month** **\$ 6,401,829.10**

Totals	Transfer	Interest	Total
	\$ 5,852,531.92	\$ 803,170.25	\$ 6,655,702.17
July 2012 funding - 8/15/12	\$ 4,727,442.68	\$ 25,058.83	\$ 4,752,501.51
ADHE Refund for excess funding 8/7/12	\$ 6,342,312.00		\$ 6,342,312.00
August transfer to ADHE 8/10/12	\$ (55,000,000.00)		\$ (55,000,000.00)
June 2012 Audit Adjustments funding - 9/15/12	\$ (72,247.92)		\$ (72,247.92)
August 2012 funding - 9/15/12	\$ 7,181,223.09	\$ 12,062.84	\$ 7,193,285.93
September 2012 funding - 10/15/12	\$ 6,576,892.46	\$ 8,064.30	\$ 6,584,956.76
October 2012 funding - 11/15/12	\$ 6,621,349.77	\$ 11,516.26	\$ 6,632,866.03
November 2012 funding - 12/15/12	\$ 8,429,441.15	\$ 14,494.44	\$ 8,443,935.59
December 2012 funding - 1/15/13	\$ 6,895,999.32	\$ 18,261.36	\$ 6,914,260.68
January 2013 funding - 2/15/13	\$ 6,516,869.09	\$ 22,084.00	\$ 6,538,953.09
February transfer to ADHE 2/1/13	\$ (45,000,000.00)		\$ (45,000,000.00)
February transfer to ADHE 2/8/13	\$ (10,000,000.00)		\$ (10,000,000.00)
February 2013 funding - 3/15/13	\$ 6,445,840.69	\$ 1,278.08	\$ 6,447,118.77
March transfer to ADHE 3/22/13	\$ (5,000,000.00)		\$ (5,000,000.00)
March 2013 funding - 4/15/13	\$ 9,773,520.45	\$ 1,752.38	\$ 9,775,272.83
April 2013 funding - 5/15/13	\$ 8,139,256.61	\$ 4,210.72	\$ 8,143,467.33
May 2013 funding - 6/15/13	\$ 9,886,108.67	\$ 8,239.18	\$ 9,894,347.85
June 2013 funding - 7/15/13	\$ 3,539,162.77	\$ 11,906.02	\$ 3,551,068.79
June 2013 Unclaimed Prize funding - 7/15/13	\$ 5,040,413.97		\$ 5,040,413.97
ADHE Refund for excess funding 8/17/13	\$ 2,138,092.38		\$ 2,138,092.38
July 2013 funding - 8/15/13	\$ 4,874,325.72	\$ 17,045.97	\$ 4,891,371.69
August transfer to ADHE 8/29/13	\$ (45,000,000.00)		\$ (45,000,000.00)
August 2013 funding - 9/15/13	\$ 6,383,238.35	18,590.75	\$ 6,401,829.10

**Arkansas Lottery Commission**  
**Unclaimed Prizes**  
**August 31, 2013**

	Monthly	Year to Date
1. Unclaimed lottery prize money:	\$87,431.00	\$834,546.27
2. Expenditures from unclaimed lottery prize money:	0.00	0.00
3. Reserved for future prizes, promotions or reserves:	\$87,431.00	\$834,546.27
4. Deposits to net lottery proceeds from unclaimed Lottery prize money:	0.00	0.00

**ARKANSAS LOTTERY COMMISSION MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT**

**August 1 through August 31, 2013**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>August 2013</b>	<b>FY 2014 Total</b>
Bryd Enterprises, Inc.	Lighting & Service Co.	Minority-owned	\$379.50	\$379.50
Goddess Products	Office Furniture/Supplies	Minority-owned	\$173.39	\$1,318.74
Northeast Arkansas Cleaning Service	Janitorial Services	Female-owned	\$539.55	\$1,079.10
Party Prints, Inc.	Advertising/Public Relations	Minority/Female-owned	\$6,781.25	\$6,781.25
SHI International Corporation	Computer Software	Female-owned	\$232.00	\$232.00
Trivia Marketing	Advertising/Public Relations	Female-owned		\$6.54
<b>Totals</b>			<b>\$8,105.69</b>	<b>\$9,797.13</b>

**INTRALOT MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT**

**August 1 through August 31, 2013**

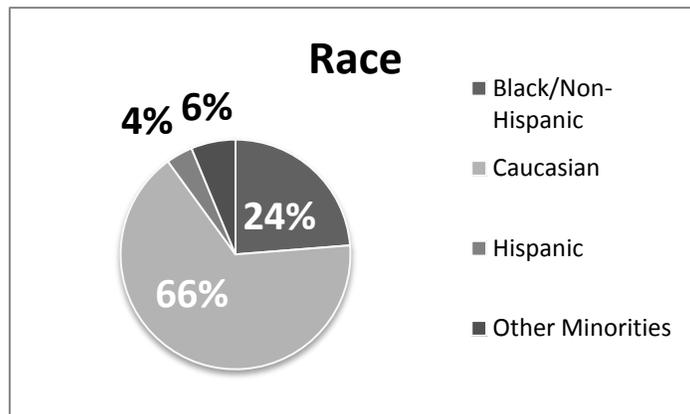
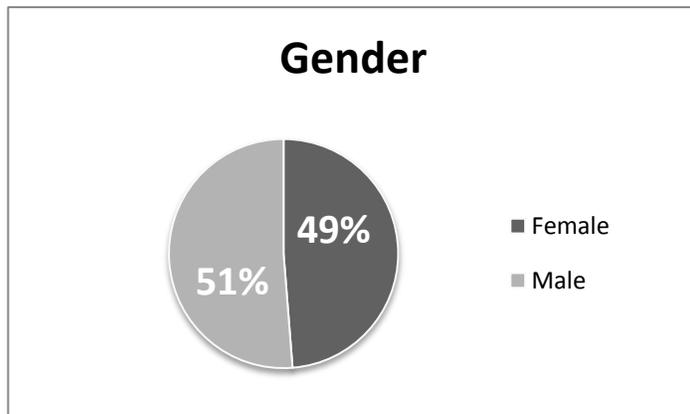
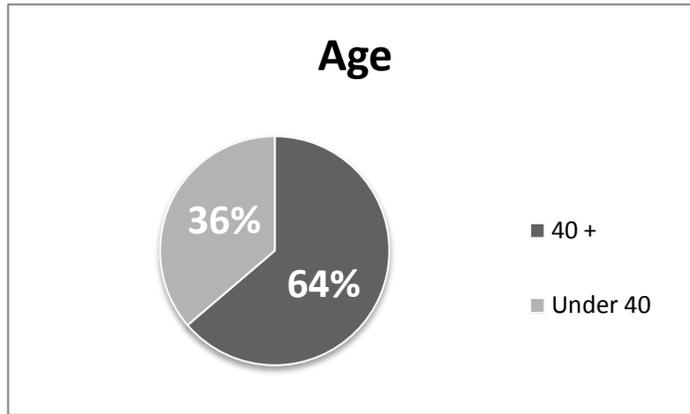
<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>August 2013</b>	<b>FY 2014 Total</b>
J Kelly Referrals and Information Services	Call Center/Information Services	Minority-owned	\$9,241.44	\$22,382.88
<b>Totals</b>			<b>\$9,241.44</b>	<b>\$22,382.88</b>

**SCIENTIFIC GAMES MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT**

**August 1 through August 31, 2013**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>August 2013</b>	<b>FY 2014 Total</b>
Expedited Transportation Service	Transportation Services	Female-owned	\$15,213.73	\$26,431.66
Mr. Klean Carpet and Janitorial Service	Janitorial Services	Minority-owned	\$298.30	\$596.60
<b>Totals</b>			<b>\$15,512.03</b>	<b>\$27,028.26</b>

**Arkansas Lottery Commission  
Demographics – August 2013**



**Total Number of Employees as of August 31, 2013: 80**

**Gender:**

Females – 39  
Males – 41

**Race:**

**Black/Non-Hispanic – 19**  
Female – 13  
Male - 6

**Hispanic – 3**  
Female - 2  
Male - 1

**Age:**

Under 40 – 29  
40 + – 51

**Caucasian – 53**  
Female - 22  
Male - 31

**Other – 5**  
Female - 2  
Male - 3

**Arkansas Lottery Commission – Internal Audit**  
**Arkansas Lottery Commission Legislative Oversight Committee Monthly Report**  
**September 10, 2013**

On August 26, 2013, the Arkansas Lottery Commission Internal Auditor (Internal Audit) presented results of the Employee Travel Reimbursements Audit to members of the Arkansas Lottery Commission (ALC). The audit centered on the processes, controls, and procedures relative to travel reimbursements for the period July 1, 2012 through June 30, 2013. The following observations were reported to the ALC:

1. Reconciliation of amount requested for Multi-State Lottery Association (MUSL)-reimbursed travel to amount subsequently received as reimbursement.
2. Inadvertent transposition and omission of information in Marketing Sales Representative (MSR) mileage reimbursement requests, resulting in lower reimbursement amounts than were due.

Relative to Observation #1, travel costs incurred by the Director 2 to 4 times per year related to attendance at MUSL events / meetings are eligible for reimbursement, at the discretion of MUSL. Internal Audit noted a discrepancy between the amount requested and the amount received for the Director's October 2012 trip to Miami, but reconciled and validated that the correct amount was received from MUSL through review of supporting documentation. Since no reconciliation of the amounts had been previously prepared by ALC Management, Internal Audit recommended that ALC Management designate an individual to reconcile the amount requested with the amount received going forward, documenting an explanation of any differences. ALC Management has responded stating that an individual will be designated to perform such reconciliation going forward.

Relative to Observation #2, Internal Audit noted inadvertent transposition and omission of information in MSR reimbursement requests, that resulted in the MSRs receiving less reimbursement than was due to them. Over 1,000 requests for mileage reimbursement are filed by the sales force each year, with each comprised of several line items of detailed mileage route information. Internal Audit recommended that ALC Management review current reimbursement review procedures to determine if any changes were warranted given the tedious and time-consuming nature of review and validation procedures compared to any expected benefits obtained from making changes. Additionally, IA recommended that use of the "locked" reimbursement form that prevents editing of certain fields and performs automatic calculations be emphasized with the sales force. ALC Management has responded stating that review procedure changes have been considered, but no changes are warranted and that use of the "locked" form has been emphasized.

Internal Audit will perform procedures to ensure these observations have been addressed in the next audit cycle of the travel process and update the ALC and members of the Arkansas Lottery Commission Legislative Oversight Committee through its regular required monthly reporting.

No additional items have been reported to the Arkansas Lottery Commission since the previous report submitted to the Arkansas Lottery Commission Legislative Oversight Committee on August 9, 2013.

**Arkansas Lottery Commission**  
**Instant & Fast Play Games**  
**August 2013**

Sales for the following instant games began August 27, 2013. No ending dates have been determined for these games.

**\$2 Whole Lotta 100's**

**\$3 Daily Crossword**

**\$5 Bass pro Shops<sup>®1</sup>**

<sup>1</sup>Bass Pro Shops<sup>®</sup> is a licensed property game. There is a cost of one hundred fifty thousand dollars (\$150,000.00) for three hundred (300), five hundred dollar (\$500) Bass Pro Shops<sup>®</sup> gift card prizes. There is a cost of forty-one thousand two hundred and ninety-seven dollars and twenty-eight cents (\$41,297.28) for one (1) Bass boat. There is a program fee for the use of the Bass Pro Shops<sup>®</sup> property of one point seventy-five percent (1.75%) of the potential sales for the game which is based on the final ticket quantity that is printed and delivered.

Sales for the following Fast Play games began August 5, 2013. No ending dates have been determined for these games.

**\$1 7's**

**\$1 Quick Cards**

Sales for the following Fast Play games began August 26, 2013. No ending dates have been determined for these games.

**\$1 Crazy 8's**

**\$2 Shopping Spree**