



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

**OFFICE OF THE ARKANSAS LOTTERY**

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

May 10, 2016

The Honorable Asa Hutchinson  
Governor of Arkansas  
State Capitol  
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Dear Governor Hutchinson:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, please accept the attached monthly disclosure reports for the month of April 2016, pursuant to A.C.A. §§ 23-115-206 and 23-115-302. The reports contain 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. DFA Office of the Arkansas Lottery Minority- and Female-owned Business Report
13. DFA Office of the Arkansas Lottery Vendor Minority- and Female-owned Business Report
14. DFA Office of the Arkansas Lottery 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: Mr. Larry Walther, Director, Arkansas Department of Finance and Administration



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

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May 10, 2016

The Honorable Jimmy Hickey, Chair  
The Honorable Chris Richey, Chair  
Arkansas Legislative Council Lottery Oversight Subcommittee  
One Capitol Mall, Room R-501  
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Gentlemen:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, please accept the attached monthly disclosure reports for the month of April 2016, pursuant to A.C.A. §§ 23-115-206 and 23-115-302. The reports contain the following information:

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Bishop Wosley  
Director

Enclosures

cc: Mr. Larry Walther, Director, Arkansas Department of Finance and Administration

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Term Contracts for Goods and Services  
April 1 through April 30, 2016**

No term contracts were entered into by the Arkansas Department of Finance and Administration Office of the Arkansas Lottery during the month of April 2016.

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Debt Set-Off and Retailer Losses  
April 2016**

**1. Debt Set-Off:**

a.	Arkansas Department of Finance and Administration	\$4,566.59
b.	Arkansas Office of Child Support Enforcement - Child Support	<u>\$2,277.00</u>
	Total Debt Set-Off:	\$6,843.59

**2. Retailer losses for period April 1 through April 30, 2016: None.**

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
RETAIL SALES BY COUNTY  
April 1 through April 30, 2016**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$7,771.50	\$7,227.50	\$14,801.00	\$417,102.00	\$1,924.00	\$8,404.00	\$5,052.00	\$21,373.00	\$483,655.00
ASHLEY	\$9,400.50	\$9,417.00	\$7,867.00	\$117,950.00	\$1,412.00	\$4,733.00	\$1,537.00	\$15,052.00	\$167,368.50
BAXTER	\$4,206.50	\$1,977.50	\$13,056.00	\$375,645.00	\$7,158.00	\$13,270.00	\$12,043.00	\$37,538.00	\$464,894.00
BENTON	\$4,332.50	\$1,749.00	\$24,475.00	\$920,803.00	\$11,280.00	\$53,690.00	\$23,494.00	\$160,342.00	\$1,200,165.50
BOONE	\$3,129.00	\$3,163.50	\$10,185.00	\$409,999.00	\$2,270.00	\$11,529.00	\$3,887.00	\$30,826.00	\$474,988.50
BRADLEY	\$1,818.50	\$3,226.00	\$2,524.00	\$144,900.00	\$1,482.00	\$2,349.00	\$1,951.00	\$8,653.00	\$166,903.50
CALHOUN	\$3,279.00	\$770.50	\$919.00	\$61,550.00	\$318.00	\$1,285.00	\$584.00	\$2,645.00	\$71,350.50
CARROLL	\$1,291.00	\$1,370.50	\$7,000.00	\$285,760.00	\$1,604.00	\$7,312.00	\$3,384.00	\$21,825.00	\$329,546.50
CHICOT	\$10,002.50	\$4,901.50	\$1,942.00	\$134,100.00	\$4,064.00	\$17,427.00	\$6,492.00	\$48,817.00	\$227,746.00
CLARK	\$3,326.50	\$1,748.50	\$17,062.00	\$291,736.00	\$1,832.00	\$7,675.00	\$4,282.00	\$20,112.00	\$347,774.00
CLAY	\$461.00	\$97.00	\$683.00	\$73,028.00	\$502.00	\$1,437.00	\$1,160.00	\$4,809.00	\$82,177.00
CLEBURNE	\$1,045.50	\$709.00	\$10,054.00	\$259,066.00	\$2,760.00	\$10,594.00	\$10,158.00	\$26,386.00	\$320,772.50
CLEVELAND	\$268.50	\$605.00	\$571.00	\$43,712.00	\$92.00	\$1,034.00	\$382.00	\$2,587.00	\$49,251.50
COLUMBIA	\$15,395.50	\$8,773.00	\$18,909.00	\$256,586.00	\$2,194.00	\$6,247.00	\$2,447.00	\$14,470.00	\$325,021.50
CONWAY	\$4,580.00	\$1,583.50	\$14,035.00	\$441,941.00	\$1,756.00	\$10,781.00	\$7,180.00	\$26,492.00	\$508,348.50
CRAIGHEAD	\$7,061.50	\$4,581.50	\$22,759.00	\$1,191,399.00	\$5,550.00	\$27,791.00	\$15,618.00	\$83,934.00	\$1,358,694.00
CRAWFORD	\$3,252.00	\$1,415.00	\$8,865.00	\$301,683.00	\$3,448.00	\$19,463.00	\$11,860.00	\$49,014.00	\$399,000.00
CRITTENDEN	\$16,417.00	\$10,040.50	\$7,273.00	\$491,721.00	\$5,622.00	\$23,586.00	\$9,789.00	\$75,020.00	\$639,468.50
CROSS	\$2,835.00	\$1,928.00	\$9,424.00	\$216,212.00	\$694.00	\$4,825.00	\$2,192.00	\$12,971.00	\$251,081.00
DALLAS	\$1,791.50	\$589.00	\$3,940.00	\$142,763.00	\$724.00	\$3,108.00	\$1,650.00	\$7,116.00	\$161,681.50
DESHA	\$2,130.50	\$1,466.50	\$2,206.00	\$152,349.00	\$784.00	\$6,507.00	\$3,322.00	\$14,012.00	\$182,777.00
DREW	\$1,465.00	\$1,789.50	\$6,814.00	\$179,013.00	\$1,786.00	\$6,031.00	\$2,931.00	\$16,225.00	\$216,054.50
FAULKNER	\$7,222.00	\$4,558.50	\$35,354.00	\$962,872.00	\$8,182.00	\$37,701.00	\$26,473.00	\$102,011.00	\$1,184,373.50
FRANKLIN	\$342.00	\$275.00	\$8,671.00	\$156,037.00	\$1,182.00	\$6,336.00	\$3,272.00	\$17,252.00	\$193,367.00
FULTON	\$359.50	\$224.00	\$1,412.00	\$64,200.00	\$452.00	\$1,762.00	\$1,050.00	\$4,358.00	\$73,817.50
GARLAND	\$7,141.50	\$4,078.50	\$42,637.00	\$893,043.00	\$11,652.00	\$44,130.00	\$34,904.00	\$107,831.00	\$1,145,417.00
GRANT	\$308.50	\$240.00	\$3,522.00	\$118,527.00	\$1,426.00	\$4,393.00	\$2,587.00	\$11,619.00	\$142,622.50
GREENE	\$725.00	\$557.00	\$6,754.00	\$534,375.00	\$2,950.00	\$12,107.00	\$6,494.00	\$32,422.00	\$596,384.00
HEMPSTEAD	\$28,218.00	\$9,010.50	\$9,785.00	\$348,740.00	\$1,204.00	\$6,241.00	\$2,865.00	\$14,605.00	\$420,668.50
HOT SPRING	\$1,596.00	\$850.50	\$8,476.00	\$319,176.00	\$2,612.00	\$9,214.00	\$5,761.00	\$21,978.00	\$369,663.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**OFFICE OF THE ARKANSAS LOTTERY**  
**RETAIL SALES BY COUNTY**  
**April 1 through April 30, 2016**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$19,421.50	\$6,841.00	\$7,877.00	\$206,072.00	\$1,346.00	\$4,350.00	\$2,394.00	\$10,267.00	\$258,568.50
INDEPENDENCE	\$3,372.00	\$946.50	\$53,627.00	\$511,853.00	\$2,850.00	\$15,401.00	\$8,487.00	\$29,848.00	\$626,384.50
IZARD	\$295.00	\$175.00	\$6,094.00	\$69,542.00	\$526.00	\$3,139.00	\$2,390.00	\$7,410.00	\$89,571.00
JACKSON	\$10,273.50	\$3,808.00	\$14,696.00	\$271,200.00	\$1,742.00	\$6,323.00	\$5,096.00	\$16,463.00	\$329,601.50
JEFFERSON	\$43,676.00	\$31,913.50	\$39,232.00	\$1,317,989.00	\$8,430.00	\$31,421.00	\$23,537.00	\$74,200.00	\$1,570,398.50
JOHNSON	\$511.00	\$219.00	\$7,519.00	\$241,730.00	\$1,368.00	\$11,467.00	\$5,068.00	\$23,548.00	\$291,430.00
LAFAYETTE	\$4,397.00	\$1,922.50	\$3,616.00	\$60,900.00	\$548.00	\$1,272.00	\$876.00	\$3,365.00	\$76,896.50
LAWRENCE	\$1,204.50	\$549.00	\$5,464.00	\$243,900.00	\$762.00	\$4,117.00	\$2,216.00	\$10,497.00	\$268,709.50
LEE	\$1,573.00	\$1,958.00	\$1,899.00	\$65,700.00	\$282.00	\$1,540.00	\$465.00	\$4,780.00	\$78,197.00
LINCOLN	\$244.50	\$214.00	\$2,910.00	\$98,189.00	\$558.00	\$2,565.00	\$2,047.00	\$6,239.00	\$112,966.50
LITTLE RIVER	\$4,644.00	\$3,392.50	\$1,086.00	\$96,202.00	\$618.00	\$3,467.00	\$1,031.00	\$7,381.00	\$117,821.50
LOGAN	\$1,123.00	\$305.00	\$6,304.00	\$204,590.00	\$1,220.00	\$6,482.00	\$3,833.00	\$16,661.00	\$240,518.00
LONOKE	\$9,998.50	\$3,756.00	\$28,549.00	\$890,695.00	\$6,406.00	\$28,854.00	\$20,556.00	\$72,056.00	\$1,060,870.50
MADISON	\$170.50	\$140.50	\$1,518.00	\$62,947.00	\$838.00	\$2,906.00	\$1,109.00	\$8,434.00	\$78,063.00
MARION	\$2,083.50	\$520.00	\$5,250.00	\$177,553.00	\$2,214.00	\$5,322.00	\$4,356.00	\$13,937.00	\$211,235.50
MILLER	\$20,679.50	\$10,920.00	\$6,744.00	\$480,210.00	\$2,256.00	\$10,959.00	\$5,611.00	\$27,686.00	\$565,065.50
MISSISSIPPI	\$49,865.50	\$17,205.50	\$6,225.00	\$534,618.00	\$2,098.00	\$10,574.00	\$4,769.00	\$30,479.00	\$655,834.00
MONROE	\$2,247.00	\$1,024.00	\$1,803.00	\$146,157.00	\$676.00	\$4,068.00	\$2,113.00	\$12,240.00	\$170,328.00
MONTGOMERY	\$30.50	\$6.50	\$2,406.00	\$27,200.00	\$496.00	\$1,742.00	\$1,049.00	\$4,807.00	\$37,737.00
NEVADA	\$2,013.50	\$1,924.00	\$6,348.00	\$193,591.00	\$952.00	\$2,707.00	\$1,316.00	\$7,341.00	\$216,192.50
NEWTON	\$69.00	\$24.00	\$2,359.00	\$44,200.00	\$246.00	\$1,426.00	\$829.00	\$2,117.00	\$51,270.00
OUACHITA	\$10,020.50	\$5,261.00	\$11,285.00	\$555,959.00	\$2,462.00	\$7,788.00	\$5,038.00	\$21,362.00	\$619,175.50
PERRY	\$729.00	\$520.00	\$2,105.00	\$71,380.00	\$526.00	\$2,995.00	\$1,626.00	\$6,880.00	\$86,761.00
PHILLIPS	\$13,467.00	\$4,706.50	\$1,327.00	\$196,951.00	\$2,250.00	\$13,003.00	\$3,161.00	\$32,012.00	\$266,877.50
PIKE	\$894.00	\$144.00	\$8,915.00	\$86,700.00	\$702.00	\$3,398.00	\$1,940.00	\$7,839.00	\$110,532.00
POINSETT	\$7,237.50	\$1,004.50	\$11,739.00	\$409,713.00	\$1,288.00	\$7,394.00	\$4,568.00	\$21,314.00	\$464,258.00
POLK	\$952.00	\$42.50	\$5,987.00	\$95,778.00	\$1,434.00	\$5,368.00	\$2,748.00	\$13,701.00	\$126,010.50
POPE	\$3,297.50	\$1,229.00	\$18,056.00	\$709,671.00	\$4,636.00	\$22,674.00	\$13,271.00	\$58,400.00	\$831,234.50
PRAIRIE	\$2,099.50	\$908.50	\$5,117.00	\$160,293.00	\$492.00	\$2,603.00	\$1,119.00	\$9,183.00	\$181,815.00
PULASKI	\$114,994.00	\$81,436.00	\$222,291.00	\$5,806,285.00	\$49,344.00	\$191,499.00	\$141,010.00	\$464,035.00	\$7,070,894.00
RANDOLPH	\$101.00	\$473.00	\$3,245.00	\$187,200.00	\$1,144.00	\$3,353.00	\$1,756.00	\$9,792.00	\$207,064.00

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
RETAIL SALES BY COUNTY  
April 1 through April 30, 2016**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$9,452.00	\$6,768.00	\$3,749.00	\$246,611.00	\$1,532.00	\$7,485.00	\$3,170.00	\$22,083.00	\$300,850.00
SALINE	\$9,606.00	\$4,604.50	\$72,858.00	\$1,010,401.00	\$9,522.00	\$38,377.00	\$29,408.00	\$99,409.00	\$1,274,185.50
SCOTT	\$188.00	\$70.50	\$2,225.00	\$88,394.00	\$800.00	\$3,110.00	\$1,053.00	\$8,079.00	\$103,919.50
SEARCY	\$303.00	\$301.00	\$2,254.00	\$100,968.00	\$644.00	\$2,110.00	\$1,134.00	\$5,746.00	\$113,460.00
SEBASTIAN	\$19,316.00	\$6,295.50	\$11,637.00	\$655,980.00	\$10,294.00	\$45,193.00	\$24,350.00	\$121,721.00	\$894,786.50
SEVIER	\$2,114.00	\$632.50	\$2,671.00	\$125,842.00	\$710.00	\$4,239.00	\$1,051.00	\$10,532.00	\$147,791.50
SHARP	\$728.50	\$193.00	\$23,507.00	\$220,286.00	\$1,332.00	\$5,412.00	\$3,956.00	\$14,988.00	\$270,402.50
STONE	\$1,531.50	\$427.00	\$6,177.00	\$104,741.00	\$1,592.00	\$3,137.00	\$2,890.00	\$7,871.00	\$128,366.50
UNION	\$50,137.50	\$21,559.00	\$13,940.00	\$841,251.00	\$4,586.00	\$15,134.00	\$8,343.00	\$38,902.00	\$993,852.50
VAN BUREN	\$963.00	\$471.50	\$9,662.00	\$148,613.00	\$1,340.00	\$5,305.00	\$4,032.00	\$12,454.00	\$182,840.50
WASHINGTON	\$18,811.00	\$6,033.00	\$39,711.00	\$1,220,732.00	\$12,818.00	\$60,730.00	\$31,082.00	\$172,540.00	\$1,562,457.00
WHITE	\$5,276.00	\$3,365.50	\$42,663.00	\$1,036,839.00	\$5,168.00	\$23,577.00	\$16,307.00	\$59,563.00	\$1,192,758.50
WOODRUFF	\$1,854.50	\$861.00	\$994.00	\$92,110.00	\$382.00	\$2,258.00	\$1,561.00	\$5,341.00	\$105,361.50
YELL	\$536.50	\$233.00	\$5,476.00	\$250,744.00	\$1,010.00	\$5,707.00	\$3,897.00	\$14,474.00	\$282,077.50

<b>GRAND TOTALS</b>	<b>*Cash 3</b>	<b>*Cash 4</b>	<b>*Fast Play</b>	<b>*Instant Settlements</b>	<b>*Lucky for Life</b>	<b>*Mega Millions</b>	<b>*Natural State Jackpot</b>	<b>*Powerball</b>	<b>*Total Sales</b>
	<b>\$603,675.00</b>	<b>\$324,227.50</b>	<b>\$1,061,092.00</b>	<b>\$30,674,468.00</b>	<b>\$241,356.00</b>	<b>\$1,012,913.00</b>	<b>\$622,420.00</b>	<b>\$2,640,272.00</b>	<b>\$37,180,423.50</b>

\*Estimates

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Total Number of Active Retailers  
April 2016**

There were 1,904 active retailers as of April 30, 2016.

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Statement of Net Position  
April 30, 2016**

**ASSETS**

<b>Current assets:</b>	
Cash and cash equivalents	\$ 4,535,162.30
Restricted assets:	
Cash and cash equivalents	18,117,466.76
Accounts receivable	11,200,753.14
Prepaid items	24,732.00
Total current assets	<u>33,878,114.20</u>
<b>Non-current assets:</b>	
Restricted assets:	
Cash and cash equivalents	20,134,893.72
Deposits with Multi-State Lottery Association	1,794,536.39
Capital assets:	
Equipment	801,038.94
Leasehold improvements	492,795.71
Less accumulated depreciation	(969,672.93)
Total non-current assets	<u>22,253,591.83</u>
<b>Deferred outflows of resources:</b>	
Related to pension	<u>992,965.00</u>
Total assets and deferred outflows of resources	<u>\$ 57,124,671.03</u>

**LIABILITIES**

<b>Current liabilities:</b>	
Accounts payable	\$ 142,842.64
Prizes payable	17,240,989.19
Accrued and other liabilities	2,821,492.52
Due to other funds of the State	522,040.13
Payable to Arkansas Department of Higher Education	12,949,798.51
Compensated absences	301,385.92
Unearned revenue	222,119.60
Total current liabilities	<u>34,200,668.51</u>
<b>Long-Term liabilities:</b>	
Net other post employment benefits	1,664,278.58
Net pension liability	3,407,594.00
Total long-term liabilities	<u>5,071,872.58</u>
<b>Deferred inflows of resources:</b>	
Related to pension	<u>1,115,427.60</u>
Total liabilities and deferred inflows of resources	<u>40,387,968.69</u>

**NET POSITION**

<b>Net position:</b>	
Invested in capital assets	324,161.72
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer fidelity reserve	134,893.72
Retailer bond reserve	145,772.55
Deposits with Multi-State Lottery Assn.	1,794,536.39
Unclaimed prizes reserve	5,167,668.25
Unrestricted (deficit)	<u>(10,830,330.29)</u>
Total net position	<u>16,736,702.34</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 57,124,671.03</u>

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Statement of Revenues, Expenses and Change in Net Position**  
**For Ten Months Ended April 30, 2016**

	Current month	Year to date
<b>Operating revenues:</b>		
Instant ticket sales	\$ 30,895,116.00	\$ 301,094,185.00
Online ticket sales	6,573,085.50	81,146,686.50
Retailer application, fidelity, bond and service fees	48,275.17	607,573.25
Other revenue	<u>325.80</u>	<u>8,269.31</u>
 Total operating revenues	 <u>37,516,802.47</u>	 <u>382,856,714.06</u>
 <b>Operating expenses:</b>		
Instant game prizes	22,506,056.39	216,554,062.89
Online game prizes	3,450,720.74	42,747,609.52
Retailer commissions	2,109,003.29	21,507,690.60
Gaming contract costs	1,560,972.56	16,366,900.09
Compensation and benefits	351,906.52	3,818,654.32
Marketing, advertising and promotions	288,227.28	3,886,341.83
General and administrative expenses	289,272.54	2,856,730.66
Services provided by Arkansas Department of Higher Education	35,000.00	388,300.00
Audit services provided by Arkansas Division of Legislative Audit		143,360.00
Legal and professional services	145.05	2,464.50
Depreciation	<u>8,225.11</u>	<u>78,866.20</u>
 Total operating expenses	 <u>30,599,529.48</u>	 <u>308,350,980.61</u>
 Operating income (1)	 6,917,272.99	 74,505,733.45
 <b>Non-operating revenue:</b>		
Interest income	<u>16,845.57</u>	<u>187,220.58</u>
 Income before transfers	 6,934,118.56	 74,692,954.03
 <b>Transfers to:</b>		
Education Trust Account (2)	(7,392,837.00)	(67,528,725.92)
Shortfall Account to EducationTrust Account		
 Change in net position	 <u>\$ (458,718.44)</u>	 7,164,228.11
 Total net position - beginning		 9,572,474.23
Total net position - ending		<u>\$ 16,736,702.34</u>

1) Includes all GAAP related accounting items including unclaimed prizes.

2) Reflects adjustment of sales and prizes expense to a modified cash basis and excludes unclaimed prizes.

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Statement of Revenues and Expenses**  
**For Ten Months Ended April 30, 2016**

	<b>CM Actual</b>	<b>%</b>	<b>CM Budget</b>	<b>%</b>	<b>CM Variance</b>	<b>YTD Actual</b>	<b>%</b>	<b>YTD Budget</b>	<b>%</b>	<b>YTD Variance</b>
<b>Operating revenues:</b>										
Instant games	\$ 30,895,116.00	82.35	\$ 28,331,367.00	81.43	\$ 2,563,749.00	\$ 301,094,185.00	78.64	\$ 276,054,663.00	80.97	\$ 25,039,522.00
Online games	6,573,085.50	17.52	6,419,185.00	18.45	153,900.50	81,146,686.50	21.20	64,416,448.00	18.89	16,730,238.50
Retailer fees	48,275.17	0.13	42,182.00	0.12	6,093.17	607,573.25	0.16	465,570.00	0.14	142,003.25
Other revenue	<u>325.80</u>	0.00	<u>833.00</u>	0.00	<u>(507.20)</u>	<u>8,269.31</u>	0.00	<u>8,333.00</u>	0.00	<u>(63.69)</u>
Total operating revenues	<u>37,516,802.47</u>	100.00	<u>34,793,567.00</u>	100.00	<u>2,723,235.47</u>	<u>382,856,714.06</u>	100.00	<u>340,945,014.00</u>	100.00	<u>41,911,700.06</u>
<b>Operating expenses:</b>										
Instant game prizes	22,506,056.39	59.99	20,036,394.00	57.59	2,469,662.39	216,554,062.89	56.56	195,137,426.00	57.23	21,416,636.89
Online game prizes	3,450,720.74	9.20	3,221,248.00	9.26	229,472.74	42,747,609.52	11.17	33,378,602.00	9.79	9,369,007.52
Retailer commissions	2,109,003.29	5.62	1,976,936.00	5.68	132,067.29	21,507,690.60	5.62	19,369,173.00	5.68	2,138,517.60
Gaming contract costs	1,560,972.56	4.16	1,629,566.00	4.68	(68,593.44)	16,366,900.09	4.27	15,965,791.00	4.68	401,109.09
Compensation & benefits	351,906.52	0.94	436,843.00	1.26	(84,936.48)	3,818,654.32	1.00	4,443,683.00	1.30	(625,028.68)
Marketing, advertising & promotions	288,227.28	0.77	416,660.00	1.20	(128,432.72)	3,886,341.83	1.02	4,166,660.00	1.22	(280,318.17)
General and administrative expenses	289,272.54	0.77	109,400.00	0.31	179,872.54	2,856,730.66	0.75	1,294,200.00	0.38	1,562,530.66
Services provided by other agencies	35,000.00	0.09	52,500.00	0.15	(17,500.00)	531,660.00	0.14	525,000.00	0.15	6,660.00
Legal and professional service	145.05	0.00	830.00	0.00	(684.95)	2,464.50	0.00	8,330.00	0.00	(5,865.50)
Depreciation	<u>8,225.11</u>	0.02	<u>26,500.00</u>	0.08	<u>(18,274.89)</u>	<u>78,866.20</u>	0.02	<u>184,000.00</u>	0.05	<u>(105,133.80)</u>
Total operating expenses	<u>30,599,529.48</u>	81.56	<u>27,906,877.00</u>	80.21	<u>2,692,652.48</u>	<u>308,350,980.61</u>	80.54	<u>274,472,865.00</u>	80.50	<u>33,878,115.61</u>
Operating income	6,917,272.99	18.44	6,886,690.00	19.79	30,582.99	74,505,733.45	19.46	66,472,149.00	19.50	8,033,584.45
<b>Non-operating revenue:</b>										
Interest income	<u>16,845.57</u>	0.04	<u>9,428.00</u>	0.03	<u>7,417.57</u>	<u>187,220.58</u>	0.05	<u>116,077.00</u>	0.03	<u>71,143.58</u>
Income before transfers	<u>\$ 6,934,118.56</u>	18.48	<u>\$ 6,896,118.00</u>	19.82	<u>\$ 38,000.56</u>	<u>\$ 74,692,954.03</u>	19.51	<u>\$ 66,588,226.00</u>	19.53	<u>\$ 8,104,728.03</u>

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Net Proceeds Transfer to Ed Trust Computation**  
**Modified Cash Basis**  
**For Ten Months Ended April 30, 2016**

	Year to date
<b>Operating revenues:</b>	
Instant ticket SETTLEMENTS	\$ 301,861,005.00
Online ticket sales	81,146,686.50
Retailer application, fidelity and service fees	607,573.25
Other revenue	<u>8,269.31</u>
 Total operating revenues	 <u>383,623,534.06</u>
 <b>Operating expenses:</b>	
Instant game prizes SETTLEMENTS	220,172,725.00
Online game prizes	42,747,609.52
Retailer commissions	21,507,690.60
Gaming contract costs	16,366,900.09
Compensation and benefits	3,818,654.32
Marketing, advertising and promotions	3,886,341.83
General and administrative expenses	2,856,730.66
Services provided by ADHE	388,300.00
Services provided by Legislative Audit Agency	143,360.00
Legal and professional services	2,464.50
Current year Capital Asset cost	<u>179,850.00</u>
Total operating expenses	<u>312,070,626.52</u>
 Change in net proceeds from operations	 71,552,907.54
 <b>Nonoperating revenue (expense):</b>	
Interest Income	187,220.58
Other Non-Operating Income	0.00
EDUCATION TRUST FUNDING-Current Year	(60,135,888.92)
Less Act 1180 Unclaimed Prizes	(4,167,668.25)
Less Current year Fidelity Reserve Fees	(21,311.38) restricted reserves
Less Current year Bond Reserve Fees	(145,772.55) restricted reserves
Less Current year MUSL Reserves (additions) / reductions	(32,150.02) see 23-115-103(17) and (19)(A)&(B)
Add OPEB expense in Comp and Benefits	<u>155,500.00</u>

**NET PROCEEDS EARNED-Current Month** **\$ 7,392,837.00**

Totals	Transfer	Interest	Total
	\$ 12,005,341.23	\$ 944,457.28	\$ 12,949,798.51
July 2015 funding - 8/15/15	\$ 5,776,292.31	\$ 8,390.78	\$ 5,784,683.09
June 2015 Audit Adjustments - funding 9/15/15	\$ (31,903.86)		\$ (31,903.86)
August 2015 funding - 9/15/15	\$ 5,478,001.52	\$ 12,092.48	\$ 5,490,094.00
September transfer to ADHE 9/11/15	\$ (33,000,000.00)		\$ (33,000,000.00)
Transfer from Shortfall Reserve 9/28/15	\$ 9,000,000.00		\$ 9,000,000.00
September transfer to ADHE 9/30/16	\$ (9,000,000.00)		\$ (9,000,000.00)
September 2015 funding - 10/15/15	\$ 6,620,285.47	\$ 4,681.64	\$ 6,624,967.11
June 2015 Final Adjustment - funding 10/15/15	\$ 201,027.87		\$ 201,027.87
Transfer to Shortfall Reserve 10/15/15	\$ (7,034,638.82)		\$ (7,034,638.82)
October 2015 funding - 11/15/15	\$ 6,020,616.60	\$ 25.72	\$ 6,020,642.32
ADHE Refund for excess funding 11/14	\$ 286,177.97		\$ 286,177.97
Transfer to Shortfall Reserve 11/15/15	(1,965,361.18)		(1,965,361.18)
November 2015 funding - 12/15/15	\$ 5,723,851.53	\$ 1,287.56	\$ 5,725,139.09
December 2015 funding - 1/15/16	\$ 6,421,742.32	\$ 4,012.34	\$ 6,425,754.66
January 2015 funding - 2/15/16	\$ 13,825,217.24	\$ 6,142.51	\$ 13,831,359.75
Transfer From Shortfall Reserve 2/8/16	\$ 4,676,287.39		\$ 4,676,287.39
Transfer to ADHE 2/9/16	\$ (35,000,000.00)		\$ (35,000,000.00)
February 2015 funding - 3/15/16	\$ 4,471,591.20	\$ 2,764.86	\$ 4,474,356.06
Transfer to Shortfall Reserve - 3/15/16	\$ (4,474,356.06)		\$ (4,474,356.06)
March 2015 funding - 4/15/15	\$ 5,758,892.51	\$ 0.33	\$ 5,758,892.84
Transfer to Shortfall Reserve - 4/15/16	\$ (201,931.33)		\$ (201,931.33)
April 2015 funding - 5/15/15	\$ 7,391,329.77	\$ 1,507.23	\$ 7,392,837.00

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Unclaimed Prizes**  
**April 30, 2016**

	Monthly	Year to Date
Reserve Balance July 1, 2015		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 79,121.00	4,167,668.25
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	79,121.00	4,167,668.25
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
 Reserve Balance April 30, 2016		 \$5,167,668.25

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
April 1 through April 30, 2016**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>April 2016</b>	<b>FY 2016 Total</b>
BSW Advertising	Advertising/Public Relations	Female-Owned		\$1,853.00
Goddess Products	Office Furniture/Supplies	Minority-owned	\$3,120.97	\$17,935.56
Government Supply Services	Office Products	Minority-owned		\$1,819.24
Party Prints	Advertising/Public Relations	Minority/Female-owned		\$14,927.55
Premier Staffing	Temporary Staffing Services	Female-Owned	\$3,245.32	\$6,983.61
Trivia Marketing	Advertising/Public Relations	Female-Owned		\$21,936.53
<b>Totals</b>			<b>\$6,366.29</b>	<b>\$65,455.49</b>

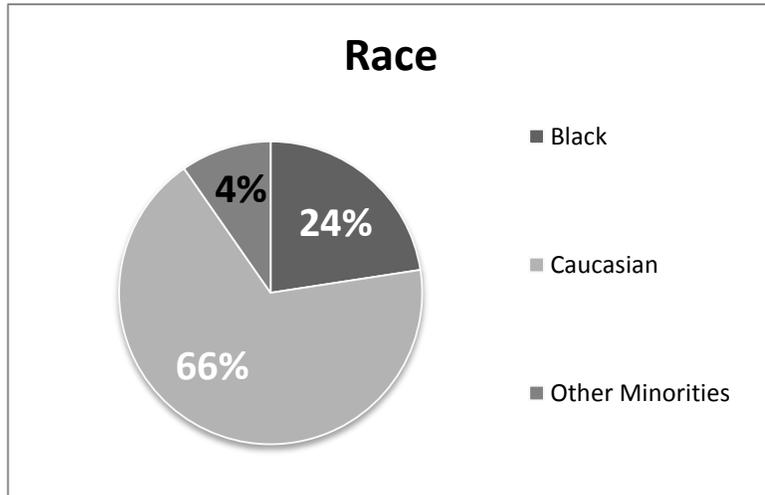
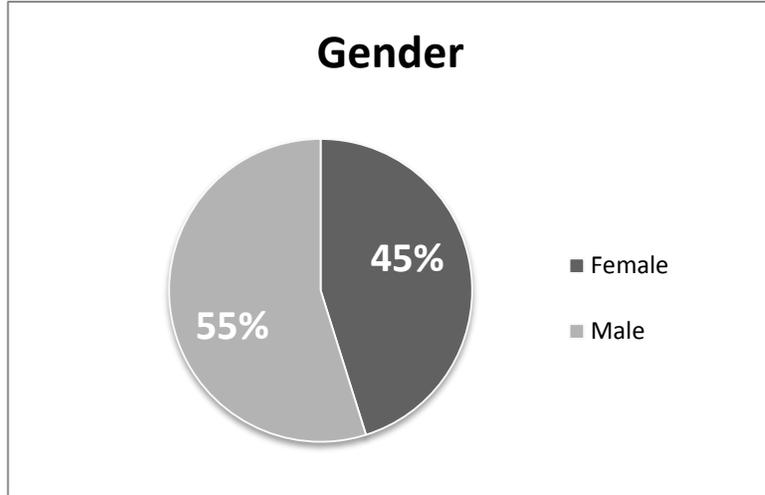
**INTRALOT MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
April 1 through April 30, 2016**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>April 2016</b>	<b>FY 2016 Total</b>
J Kelly Referrals and Information Services	Call Center/Information Services	Minority-owned	\$8,462.00	\$102,610.31
<b>Totals</b>			<b>\$8,462.00</b>	<b>\$102,610.31</b>

**SCIENTIFIC GAMES MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
April 1 through April 30, 2016**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>April 2016</b>	<b>FY 2016 Total</b>
Central Copiers	Office Products/Supplies	Not Classified		\$1,122.05
Expedited Transportation Services	Transportation Services	Female-owned	\$2,011.02	\$17,797.87
Mr. Klean's Carpet and Janitorial Service	Janitorial Services	Minority-owned		\$3,102.60
Premier Staffing	Staffing Services	Female-owned		\$3,125.90
<b>Totals</b>			<b>\$2,011.02</b>	<b>\$25,148.42</b>

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Demographics – April 2016**



**Total Number of Employees as of April 30, 2016: 62**

**Gender:**

Females – 28  
Males – 34

**Race:**

Black – 14  
Caucasian – 42  
Other – 6

Female -- 8	Male -- 6
Female -- 17	Male -- 25
Female -- 3	Male -- 3

**Department of Finance and Administration  
Office of the Arkansas Lottery – Internal Audit  
Arkansas Legislative Council – Lottery Oversight Subcommittee Monthly Report**

On April 28, 2016, the Office of the Arkansas Lottery (OAL) Internal Auditor (Internal Audit) issued a report to the Director of the Department of Finance and Administration (DFA Director) as follows:

Purchasing & Accounts Payable Audit

The audit centered on controls and procedures surrounding the purchasing of goods and services from and payments of amounts owed to vendors. Fieldwork included review of documentation and information generated July 1, 2015 through March 25, 2016.

The following observations and recommendations were reported:

1. *Approval of Purchase Requisitions* – Purchase Requisitions (PRs) were completed and as a result Purchase Orders (POs) were issued for two (2) purchases that had not been authorized according to the OAL's internal authorization requirements. IA encountered no information indicating the purchases were not for legitimate business purposes, and each totaled slightly over \$500. Subsequent to the purchases, both were validated and approved according to the standard invoice validation and payment processes and internal controls.
2. *Completion/Retention of Travel Authorization (TA-1) Forms* - The appropriate Travel Authorization (TA-1) form was not completed prior to booking and charging of flights for two (2) employees to the OAL Travel Card for transportation to an out of state conference, consistent with State travel policies. Evidence of the appropriate level of approval via email was noted after the flights had already been charged to the Travel Card.

Specific to Observation #1, Internal Audit recommended that all OAL employees involved in the procurement and purchasing process be reminded of the purchase approval requirements and associated purchase and payment controls and processes to ensure purchases are appropriately authorized prior to completion of a PR going forward.

OAL Management stated that a former employee misunderstood the process and improperly authorized these two requisitions which were mistakenly accepted as a proper approval. OAL Management further stated that these oversights were identified when the invoices were received, the orders were then verified as proper, and the invoices were approved for payment. Finally, OAL Management stated that it will assure that the proper requisition approval process will be reiterated to employees involved in the purchasing process.

Specific to Observation #2, Internal Audit recommended that OAL employees be reminded of State travel policy and Department of Finance and Administration travel approval requirements, including the approvals required to be obtained prior to requesting that travel arrangements be made and the processes to be followed to make travel arrangements through the appropriate channels.

OAL Management stated that it believes that the employees did follow the State of Arkansas Travel Regulations for the booking of their trip, but that due to staff turnover, the forms for the trip in question were misplaced. OAL Management further stated that the OAL CFO annually distributes the then current State of Arkansas Travel Regulations to all employees so they will be aware of the State of Arkansas travel guidelines and requirements.

Internal Audit will perform follow-up audit procedures at the appropriate time to affirm that corrective actions have taken place and will apprise the Lottery Oversight Subcommittee and the DFA Director of the results of those follow-up procedures.

No additional issues or problems resulting from internal audits have been reported to the Director of the Department of Finance and Administration for the reporting period.

**DFA/Office of the Arkansas Lottery**  
**Instant & Fast Play Games**  
**April 2016**

Sales for the following instant games began April 5, 2016. No ending dates have been determined for these games.

**\$1 Double It!**

**\$2 Big Deal**

**\$3 10X Crossword**

**\$5 \$100,000 Bonus Play**

**\$10 \$10,000 Blowout**

Sales for the following Fast Play games began April 4, 2016. No ending dates have been determined for these games.

**\$1 Find the 9's**

**\$2 Fish Finder**