



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>

April 11, 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 March 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 Weasley".

Bishop Weasley  
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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April 11, 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 March 2016, pursuant to A.C.A. §§ 23-115-206 and 23-115-302. The reports contain the following information:

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Bishop Woosley  
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  
March 1 through March 31, 2016**

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

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

**1. Debt Set-Off:**

a.	Arkansas Department of Finance and Administration	\$9,030.94
b.	Arkansas Office of Child Support Enforcement - Child Support	<u>\$48,210.76</u>
	Total Debt Set-Off:	\$57,241.70

**2. Retailer losses for period March 1 through March 31, 2016: None.**

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**OFFICE OF THE ARKANSAS LOTTERY**  
**RETAIL SALES BY COUNTY**  
**March 1 through March 31, 2016**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$8,731.00	\$6,556.00	\$15,558.00	\$450,566.00	\$2,398.00	\$8,989.00	\$3,339.00	\$19,560.00	\$515,697.00
ASHLEY	\$10,480.00	\$9,702.00	\$5,166.00	\$129,520.00	\$1,530.00	\$4,840.00	\$1,562.00	\$12,971.00	\$175,771.00
BAXTER	\$5,086.50	\$2,117.50	\$9,397.00	\$444,739.00	\$7,998.00	\$13,145.00	\$9,628.00	\$30,319.00	\$522,430.00
BENTON	\$5,310.50	\$2,471.50	\$21,517.00	\$1,030,442.00	\$13,870.00	\$54,216.00	\$15,934.00	\$125,206.00	\$1,268,967.00
BOONE	\$2,562.50	\$3,636.50	\$9,153.00	\$459,583.00	\$2,388.00	\$11,516.00	\$3,618.00	\$25,247.00	\$517,704.00
BRADLEY	\$1,508.00	\$2,566.50	\$1,965.00	\$146,100.00	\$1,468.00	\$2,073.00	\$1,704.00	\$7,135.00	\$164,519.50
CALHOUN	\$3,135.00	\$887.50	\$1,134.00	\$52,660.00	\$508.00	\$1,149.00	\$592.00	\$1,990.00	\$62,055.50
CARROLL	\$1,710.50	\$1,333.50	\$5,026.00	\$311,312.00	\$1,756.00	\$7,544.00	\$2,547.00	\$17,864.00	\$349,093.00
CHICOT	\$8,637.00	\$4,588.50	\$1,605.00	\$143,769.00	\$5,034.00	\$16,200.00	\$5,103.00	\$44,139.00	\$229,075.50
CLARK	\$4,741.50	\$2,582.00	\$20,067.00	\$328,834.00	\$2,262.00	\$7,983.00	\$3,095.00	\$16,679.00	\$386,243.50
CLAY	\$294.00	\$62.00	\$1,273.00	\$92,700.00	\$676.00	\$1,785.00	\$898.00	\$4,597.00	\$102,285.00
CLEBURNE	\$1,111.00	\$698.50	\$8,275.00	\$278,163.00	\$3,534.00	\$9,971.00	\$7,162.00	\$19,414.00	\$328,328.50
CLEVELAND	\$439.50	\$583.00	\$549.00	\$56,398.00	\$202.00	\$871.00	\$341.00	\$2,182.00	\$61,565.50
COLUMBIA	\$17,457.50	\$10,600.50	\$16,937.00	\$304,500.00	\$2,490.00	\$6,507.00	\$1,910.00	\$13,017.00	\$373,419.00
CONWAY	\$4,889.50	\$1,612.50	\$17,429.00	\$541,977.00	\$2,130.00	\$10,558.00	\$4,471.00	\$21,697.00	\$604,764.00
CRAIGHEAD	\$8,127.00	\$5,538.50	\$20,172.00	\$1,423,181.00	\$7,194.00	\$27,346.00	\$10,415.00	\$62,719.00	\$1,564,692.50
CRAWFORD	\$4,223.50	\$1,266.50	\$7,362.00	\$347,998.00	\$3,270.00	\$17,528.00	\$6,170.00	\$36,020.00	\$423,838.00
CRITTENDEN	\$17,407.50	\$11,392.50	\$7,200.00	\$601,412.00	\$6,300.00	\$24,230.00	\$7,606.00	\$56,570.00	\$732,118.00
CROSS	\$2,885.00	\$2,191.50	\$13,755.00	\$268,119.00	\$980.00	\$4,229.00	\$1,790.00	\$10,738.00	\$304,687.50
DALLAS	\$1,420.00	\$517.00	\$4,741.00	\$176,400.00	\$732.00	\$3,107.00	\$1,550.00	\$5,854.00	\$194,321.00
DESHA	\$2,019.00	\$1,538.00	\$2,120.00	\$153,260.00	\$1,016.00	\$6,797.00	\$2,689.00	\$12,752.00	\$182,191.00
DREW	\$2,114.00	\$2,341.00	\$6,422.00	\$216,571.00	\$2,044.00	\$5,396.00	\$2,332.00	\$13,543.00	\$250,763.00
FAULKNER	\$9,537.00	\$5,024.50	\$37,438.00	\$1,129,383.00	\$9,402.00	\$35,039.00	\$17,640.00	\$79,029.00	\$1,322,492.50
FRANKLIN	\$446.50	\$319.00	\$10,411.00	\$171,778.00	\$1,394.00	\$6,014.00	\$2,062.00	\$13,006.00	\$205,430.50
FULTON	\$454.50	\$137.00	\$1,396.00	\$58,570.00	\$584.00	\$1,428.00	\$833.00	\$3,939.00	\$67,341.50
GARLAND	\$9,277.00	\$4,486.50	\$37,306.00	\$1,000,681.00	\$13,486.00	\$43,416.00	\$25,408.00	\$87,265.00	\$1,221,325.50
GRANT	\$332.50	\$187.50	\$3,209.00	\$152,627.00	\$1,874.00	\$4,163.00	\$2,383.00	\$9,345.00	\$174,121.00
GREENE	\$852.50	\$664.50	\$7,100.00	\$622,788.00	\$3,292.00	\$12,827.00	\$4,632.00	\$27,025.00	\$679,181.00
HEMPSTEAD	\$31,570.50	\$11,065.50	\$8,009.00	\$403,305.00	\$1,512.00	\$6,177.00	\$2,215.00	\$11,557.00	\$475,411.00
HOT SPRING	\$1,900.50	\$1,336.00	\$7,342.00	\$359,905.00	\$2,730.00	\$9,197.00	\$4,322.00	\$18,229.00	\$404,961.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
RETAIL SALES BY COUNTY  
March 1 through March 31, 2016**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$23,490.00	\$8,021.50	\$7,158.00	\$251,400.00	\$1,586.00	\$4,342.00	\$2,090.00	\$8,418.00	\$306,505.50
INDEPENDENCE	\$3,341.50	\$853.00	\$36,471.00	\$585,095.00	\$3,216.00	\$14,456.00	\$6,056.00	\$24,809.00	\$674,297.50
IZARD	\$199.50	\$141.00	\$4,105.00	\$77,592.00	\$690.00	\$3,057.00	\$1,623.00	\$6,598.00	\$94,005.50
JACKSON	\$10,682.00	\$4,612.50	\$9,751.00	\$300,346.00	\$2,232.00	\$6,247.00	\$4,175.00	\$13,389.00	\$351,434.50
JEFFERSON	\$44,402.50	\$30,979.00	\$39,913.00	\$1,584,312.00	\$9,974.00	\$31,576.00	\$18,278.00	\$63,409.00	\$1,822,843.50
JOHNSON	\$610.50	\$300.00	\$5,853.00	\$263,879.00	\$1,616.00	\$6,072.00	\$3,887.00	\$14,471.00	\$296,688.50
LAFAYETTE	\$4,272.50	\$1,847.00	\$3,636.00	\$78,600.00	\$574.00	\$1,472.00	\$630.00	\$3,134.00	\$94,165.50
LAWRENCE	\$1,219.00	\$250.00	\$6,950.00	\$299,601.00	\$814.00	\$3,855.00	\$1,739.00	\$8,618.00	\$323,046.00
LEE	\$1,639.50	\$2,448.00	\$897.00	\$74,520.00	\$462.00	\$1,534.00	\$397.00	\$3,699.00	\$85,596.50
LINCOLN	\$269.50	\$187.00	\$2,063.00	\$88,604.00	\$596.00	\$2,352.00	\$2,215.00	\$4,622.00	\$100,908.50
LITTLE RIVER	\$5,290.50	\$3,734.50	\$1,861.00	\$104,460.00	\$772.00	\$3,631.00	\$1,031.00	\$6,259.00	\$127,039.00
LOGAN	\$1,730.00	\$512.50	\$6,138.00	\$231,546.00	\$1,268.00	\$6,576.00	\$2,620.00	\$14,040.00	\$264,430.50
LONOKE	\$8,196.50	\$4,809.50	\$19,861.00	\$992,597.00	\$8,184.00	\$25,988.00	\$12,679.00	\$56,699.00	\$1,129,014.00
MADISON	\$47.00	\$49.00	\$1,292.00	\$77,673.00	\$954.00	\$2,863.00	\$998.00	\$7,022.00	\$90,898.00
MARION	\$2,288.50	\$477.00	\$3,882.00	\$179,217.00	\$2,544.00	\$4,991.00	\$3,410.00	\$10,805.00	\$207,614.50
MILLER	\$21,129.00	\$11,734.50	\$4,259.00	\$540,582.00	\$2,754.00	\$11,738.00	\$3,515.00	\$22,076.00	\$617,787.50
MISSISSIPPI	\$52,913.50	\$17,807.50	\$4,509.00	\$676,138.00	\$2,862.00	\$10,766.00	\$3,617.00	\$25,149.00	\$793,762.00
MONROE	\$2,638.00	\$829.00	\$972.00	\$181,695.00	\$770.00	\$3,578.00	\$1,738.00	\$9,190.00	\$201,410.00
MONTGOMERY	\$4.50	\$0.50	\$2,658.00	\$32,404.00	\$496.00	\$1,592.00	\$737.00	\$3,535.00	\$41,427.00
NEVADA	\$2,398.50	\$1,573.50	\$3,736.00	\$244,856.00	\$1,162.00	\$3,037.00	\$1,196.00	\$6,044.00	\$264,003.00
NEWTON	\$56.00	\$14.00	\$2,717.00	\$47,716.00	\$332.00	\$1,477.00	\$702.00	\$2,139.00	\$55,153.00
OUACHITA	\$12,622.50	\$5,515.50	\$8,957.00	\$631,888.00	\$2,704.00	\$8,002.00	\$4,360.00	\$18,277.00	\$692,326.00
PERRY	\$795.00	\$629.00	\$1,736.00	\$79,155.00	\$584.00	\$2,973.00	\$1,098.00	\$6,071.00	\$93,041.00
PHILLIPS	\$13,848.00	\$3,880.00	\$1,952.00	\$219,442.00	\$3,216.00	\$12,561.00	\$2,968.00	\$27,746.00	\$285,613.00
PIKE	\$731.50	\$72.50	\$12,135.00	\$95,557.00	\$844.00	\$3,300.00	\$1,705.00	\$6,993.00	\$121,338.00
POINSETT	\$7,355.50	\$1,196.00	\$9,337.00	\$458,009.00	\$1,746.00	\$7,986.00	\$3,131.00	\$17,345.00	\$506,105.50
POLK	\$1,032.50	\$88.50	\$5,326.00	\$118,469.00	\$1,692.00	\$5,383.00	\$2,110.00	\$11,732.00	\$145,833.00
POPE	\$3,700.50	\$1,291.00	\$10,534.00	\$792,050.00	\$4,880.00	\$21,012.00	\$9,295.00	\$44,013.00	\$886,775.50
PRAIRIE	\$2,135.00	\$1,035.00	\$4,870.00	\$194,339.00	\$574.00	\$2,730.00	\$888.00	\$6,321.00	\$212,892.00
PULASKI	\$121,307.50	\$82,884.50	\$195,027.00	\$6,581,620.00	\$58,680.00	\$184,039.00	\$95,808.00	\$354,034.00	\$7,673,400.00
RANDOLPH	\$184.00	\$632.50	\$3,889.00	\$212,700.00	\$1,450.00	\$3,632.00	\$1,372.00	\$8,795.00	\$232,654.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
RETAIL SALES BY COUNTY  
March 1 through March 31, 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	\$9,135.50	\$7,426.50	\$3,460.00	\$284,019.00	\$2,134.00	\$7,442.00	\$1,840.00	\$17,901.00	\$333,358.00
SALINE	\$9,938.50	\$4,813.50	\$58,927.00	\$1,137,648.00	\$10,816.00	\$37,526.00	\$19,804.00	\$78,283.00	\$1,357,756.00
SCOTT	\$165.50	\$96.00	\$1,474.00	\$106,733.00	\$976.00	\$2,999.00	\$956.00	\$6,700.00	\$120,099.50
SEARCY	\$389.00	\$303.00	\$1,710.00	\$108,962.00	\$644.00	\$1,914.00	\$909.00	\$4,663.00	\$119,494.00
SEBASTIAN	\$22,062.00	\$6,215.50	\$11,057.00	\$722,133.00	\$12,686.00	\$44,218.00	\$17,251.00	\$94,137.00	\$929,759.50
SEVIER	\$2,567.50	\$594.00	\$1,663.00	\$143,692.00	\$896.00	\$4,368.00	\$973.00	\$8,428.00	\$163,181.50
SHARP	\$897.50	\$277.50	\$13,772.00	\$239,248.00	\$1,280.00	\$5,708.00	\$3,252.00	\$12,878.00	\$277,313.00
STONE	\$1,869.00	\$554.50	\$4,296.00	\$110,574.00	\$1,334.00	\$3,056.00	\$2,200.00	\$6,424.00	\$130,307.50
UNION	\$57,310.00	\$21,521.50	\$11,111.00	\$922,325.00	\$5,692.00	\$13,833.00	\$5,934.00	\$31,263.00	\$1,068,989.50
VAN BUREN	\$939.50	\$459.00	\$7,758.00	\$164,163.00	\$1,228.00	\$4,841.00	\$2,806.00	\$10,101.00	\$192,295.50
WASHINGTON	\$21,184.00	\$7,138.50	\$29,093.00	\$1,387,919.00	\$14,672.00	\$62,467.00	\$20,107.00	\$131,165.00	\$1,673,745.50
WHITE	\$6,237.00	\$3,579.50	\$35,413.00	\$1,162,700.00	\$6,416.00	\$22,446.00	\$11,750.00	\$47,913.00	\$1,296,454.50
WOODRUFF	\$3,417.00	\$1,035.50	\$406.00	\$99,830.00	\$540.00	\$2,080.00	\$1,191.00	\$4,900.00	\$113,399.50
YELL	\$633.00	\$192.00	\$5,282.00	\$278,537.00	\$1,288.00	\$5,926.00	\$2,754.00	\$11,985.00	\$306,597.00

<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>\$655,936.50</b>	<b>\$340,615.00</b>	<b>\$916,901.00</b>	<b>\$35,021,786.00</b>	<b>\$284,884.00</b>	<b>\$985,883.00</b>	<b>\$441,746.00</b>	<b>\$2,091,801.00</b>	<b>\$40,739,552.50</b>

\*Estimates

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

There were 1,901 active retailers as of March 31, 2016.

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Statement of Net Position**  
**March 31, 2016**

**ASSETS**

<b>Current assets:</b>	
Cash and cash equivalents	\$ 5,780,379.68
Restricted assets:	
Cash and cash equivalents	10,645,508.76
Accounts receivable	9,528,630.31
Prepaid items	31,365.04
Total current assets	<u>25,985,883.79</u>
<b>Non-current assets:</b>	
Restricted assets:	
Cash and cash equivalents	20,132,455.80
Deposits with Multi-State Lottery Association	1,738,801.25
Capital assets:	
Equipment	801,038.94
Leasehold improvements	492,795.71
Less accumulated depreciation	(961,447.82)
Total non-current assets	<u>22,203,643.88</u>
<b>Deferred outflows of resources:</b>	
Related to pension	<u>992,965.00</u>
Total assets and deferred outflows of resources	<u>\$ 49,182,492.67</u>

**LIABILITIES**

<b>Current liabilities:</b>	
Accounts payable	\$ 556,676.17
Prizes payable	15,945,306.20
Accrued and other liabilities	2,639,307.16
Due to other funds of the State	479,540.13
Payable to Arkansas Department of Higher Education	5,556,961.51
Compensated absences	313,504.47
Unearned revenue	289,471.77
Total current liabilities	<u>25,780,767.41</u>
<b>Long-Term liabilities:</b>	
Net other post employment benefits	1,649,778.58
Net pension liability	3,407,594.00
Total long-term liabilities	<u>5,057,372.58</u>
<b>Deferred inflows of resources:</b>	
Related to pension	<u>1,148,931.90</u>
Total liabilities and deferred inflows of resources	<u>31,987,071.89</u>

**NET POSITION**

<b>Net position:</b>	
Invested in capital assets	332,386.83
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer fidelity reserve	132,455.80
Retailer bond reserve	138,972.55
Deposits with Multi-State Lottery Assn.	1,738,801.25
Unclaimed prizes reserve	5,088,547.25
Unrestricted (deficit)	<u>(10,235,742.90)</u>
Total net position	<u>17,195,420.78</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 49,182,492.67</u>



**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Statement of Revenues and Expenses**  
**For Nine Months Ended March 31, 2015**

	<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	\$ 34,715,980.00	85.55	\$ 31,452,471.00	82.77	\$ 3,263,509.00	\$ 270,199,069.00	78.24	\$ 247,723,296.00	80.92	\$ 22,475,773.00
Online games	5,808,147.00	14.31	6,496,881.00	17.10	(688,734.00)	74,573,601.00	21.59	57,997,263.00	18.94	16,576,338.00
Retailer fees	54,007.05	0.13	51,614.00	0.14	2,393.05	559,298.08	0.16	423,388.00	0.14	135,910.08
Other revenue	<u>1,287.00</u>	0.00	<u>834.00</u>	0.00	<u>453.00</u>	<u>7,943.51</u>	0.00	<u>7,500.00</u>	0.00	<u>443.51</u>
Total operating revenues	<u>40,579,421.05</u>	100.00	<u>38,001,800.00</u>	100.00	<u>2,577,621.05</u>	<u>345,339,911.59</u>	100.00	<u>306,151,447.00</u>	100.00	<u>39,188,464.59</u>
<b>Operating expenses:</b>										
Instant game prizes	24,951,969.55	61.49	22,283,579.00	58.64	2,668,390.55	194,048,006.50	56.19	175,101,032.00	57.19	18,946,974.50
Online game prizes	3,262,954.17	8.04	3,295,515.00	8.67	(32,560.83)	39,296,888.78	11.38	30,157,354.00	9.85	9,139,534.78
Retailer commissions	2,291,337.67	5.65	2,158,913.00	5.68	132,424.67	19,398,687.31	5.62	17,392,237.00	5.68	2,006,450.31
Gaming contract costs	1,775,875.28	4.38	1,779,568.00	4.68	(3,692.72)	14,805,927.53	4.29	14,336,225.00	4.68	469,702.53
Compensation & benefits	400,999.94	0.99	435,249.00	1.15	(34,249.06)	3,466,747.80	1.00	4,006,840.00	1.31	(540,092.20)
Marketing, advertising & promotions	358,894.96	0.88	416,670.00	1.10	(57,775.04)	3,598,114.55	1.04	3,750,000.00	1.22	(151,885.45)
General and administrative expenses	262,909.73	0.65	109,500.00	0.29	153,409.73	2,567,458.12	0.74	1,184,800.00	0.39	1,382,658.12
Services provided by other agencies	29,820.00	0.07	52,500.00	0.14	(22,680.00)	496,660.00	0.14	472,500.00	0.15	24,160.00
Legal and professional service	334.57	0.00	840.00	0.00	(505.43)	2,319.45	0.00	7,500.00	0.00	(5,180.55)
Depreciation	<u>6,747.28</u>	0.02	<u>26,500.00</u>	0.07	<u>(19,752.72)</u>	<u>70,641.09</u>	0.02	<u>157,500.00</u>	0.05	<u>(86,858.91)</u>
Total operating expenses	<u>33,341,843.15</u>	82.16	<u>30,558,834.00</u>	80.41	<u>2,783,009.15</u>	<u>277,751,451.13</u>	80.43	<u>246,565,988.00</u>	80.54	<u>31,185,463.13</u>
Operating income	7,237,577.90	17.84	7,442,966.00	19.59	(205,388.10)	67,588,460.46	19.57	59,585,459.00	19.46	8,003,001.46
<b>Non-operating revenue:</b>										
Interest income	<u>15,545.45</u>	0.04	<u>7,846.00</u>	0.02	<u>7,699.45</u>	<u>170,375.01</u>	0.05	<u>106,649.00</u>	0.03	<u>63,726.01</u>
Income before transfers	<u>\$ 7,253,123.35</u>	17.87	<u>\$ 7,450,812.00</u>	19.61	<u>\$ (197,688.65)</u>	<u>\$ 67,758,835.47</u>	19.62	<u>\$ 59,692,108.00</u>	19.50	<u>\$ 8,066,727.47</u>

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Net Proceeds Transfer to Ed Trust Computation  
Modified Cash Basis  
For Nine Months Ended March 31, 2016**

	Year to date
<b>Operating revenues:</b>	
Instant ticket SETTLEMENTS	\$ 271,186,349.00
Online ticket sales	74,573,601.00
Retailer application, fidelity and service fees	559,298.08
Other revenue	<u>7,943.51</u>
 Total operating revenues	 <u>346,327,191.59</u>
 <b>Operating expenses:</b>	
Instant game prizes SETTLEMENTS	198,467,216.00
Online game prizes	39,296,888.78
Retailer commissions	19,398,687.31
Gaming contract costs	14,805,927.53
Compensation and benefits	3,466,747.80
Marketing, advertising and promotions	3,598,114.55
General and administrative expenses	2,567,458.12
Services provided by ADHE	353,300.00
Services provided by Legislative Audit Agency	143,360.00
Legal and professional services	2,319.45
Current year Capital Asset cost	<u>179,850.00</u>
Total operating expenses	<u>282,279,869.54</u>
 Change in net proceeds from operations	 64,047,322.05
 <b>Nonoperating revenue (expense):</b>	
Interest Income	168,499.40
Other Non-Operating Income	1,875.61
EDUCATION TRUST FUNDING-Current Year	(54,376,996.08)
Less Act 1180 Unclaimed Prizes	(4,088,547.25)
Less Current year Fidelity Reserve Fees	(18,873.46) restricted reserves
Less Current year Bond Reserve Fees	(138,972.55) restricted reserves
Less Current year MUSL Reserves (additions) / reductions	23,585.12 see 23-115-103(17) and (19)(A)&(B)
Add OPEB expense in Comp and Benefits	<u>141,000.00</u>

**NET PROCEEDS EARNED-Current Month** **\$ 5,758,892.84**

Totals	Transfer	Interest	Total
	\$ 4,614,011.46	\$ 942,950.05	\$ 5,556,961.51
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)

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Unclaimed Prizes**  
**March 31, 2016**

	Monthly	Year to Date
Reserve Balance July 1, 2015		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 524,037.79	4,088,547.25
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	524,037.79	4,088,547.25
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
Reserve Balance March 31, 2016		\$5,088,547.25

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
March 1 through March 31, 2016**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>March 2016</b>	<b>FY 2016 Total</b>
BSW Advertising	Advertising/Public Relations	Female-Owned		\$1,853.00
Goddess Products	Office Furniture/Supplies	Minority-owned	\$1,427.38	\$14,814.59
Government Supply Services	Office Products	Minority-owned	\$69.14	\$1,819.24
Party Prints	Advertising/Public Relations	Minority/Female-owned		\$14,927.55
Premier Staffing	Temporary Staffing Services	Female-Owned	\$3,738.29	\$3,738.29
Trivia Marketing	Advertising/Public Relations	Female-Owned		\$21,936.53
<b>Totals</b>			<b>\$5,234.81</b>	<b>\$59,089.20</b>

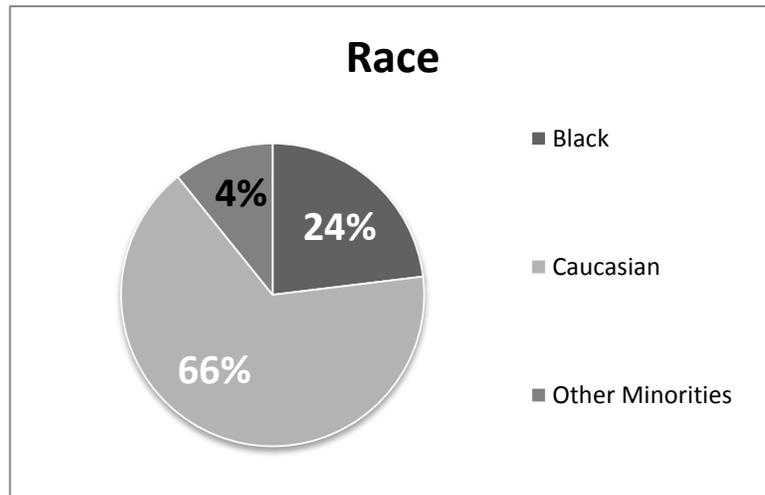
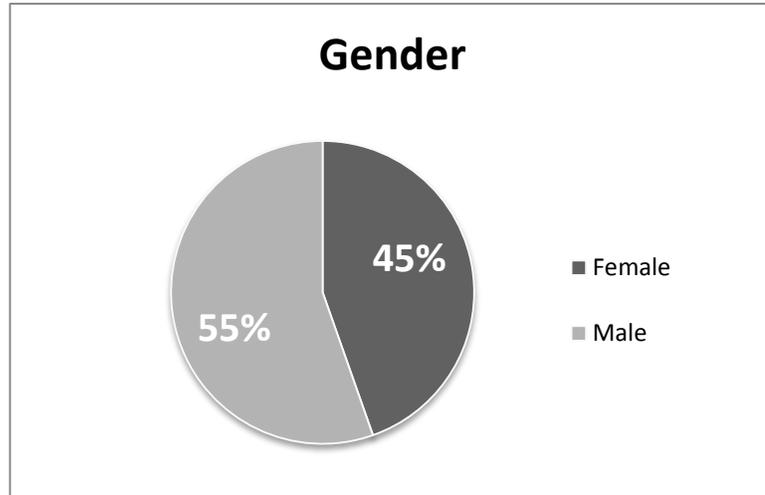
**INTRALOT MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
March 1 through March 31, 2016**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>March 2016</b>	<b>FY 2016 Total</b>
J Kelly Referrals and Information Services	Call Center/Information Services	Minority-owned	\$12,693.00	\$94,148.31
<b>Totals</b>			<b>\$12,693.00</b>	<b>\$94,148.31</b>

**SCIENTIFIC GAMES MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
March 1 through March 31, 2016**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>March 2016</b>	<b>FY 2016 Total</b>
Central Copiers	Office Products/Supplies	Not Classified		\$1,122.05
Expedited Transportation Services	Transportation Services	Female-owned	\$1,021.92	\$15,786.85
Mr. Klean's Carpet and Janitorial Service	Janitorial Services	Minority-owned	\$396.00	\$3,102.60
Premier Staffing	Staffing Services	Female-owned		\$3,125.90
<b>Totals</b>			<b>\$1,417.92</b>	<b>\$23,137.40</b>

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



**Total Number of Employees as of March 31, 2016: 65**

**Gender:**

Females – 29  
Males – 36

**Race:**

Black – 15  
Caucasian – 43  
Other – 7

Female -- 8	Male -- 7
Female -- 17	Male -- 26
Female -- 4	Male -- 3

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

On March 21, 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:

Licensing & Retailer Compliance Audit

The audit centered on controls and procedures surrounding the initial issuance and renewal of licenses for the OAL's retail partners, and collection of associated fees. Fieldwork included review of documentation and information generated July 1, 2015 through February 26, 2016.

The following observation and recommendation was reported:

- *Automated Draft of Retailer Bank Accounts for Fees* – In February 2016, the OAL began collecting license renewal, fidelity fund, and bonding fees from its existing retailers through automated bank draft, consistent with the process currently used to collect amounts owed to the OAL for ongoing retailer sales activity. Drafts of retailer accounts for retailer renewal fees were initiated and completed for retailers that had not met the criteria for renewal of their license by the OAL and a retailer was erroneously credited for a bonding fee that was due to the OAL as part of the initial settlement period's automated draft for OAL fees. The retailers drafted for renewal fees have communicated their intent to continue as OAL retailers as soon as they are able to meet required criteria for renewal.

Internal Audit recommended that OAL Management determine a method by which the fees noted will be refunded to or drafted from any impacted retailers and that in the continued transition period to the automated collection of these fees, Management apply an extra level of scrutiny to the automated fee transactions that are generated to ensure amounts due are fully collected, but also that no fees are collected in a manner inconsistent with the process as designed.

OAL Management stated that it will continue to work with existing retailers that have not met the criteria for license renewal such that these retailers can become eligible for a renewed license, and will refund or collect fees as appropriate based on the circumstances for each retailer noted, including those that are in the process of becoming eligible for renewal. Internal Audit will perform follow-up audit procedures at the appropriate time to affirm these 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**  
**March 2016**

Sales for the following instant games began March 1, 2016. No ending dates have been determined for these games.

**\$1 Neon 10X**  
**\$2 Neon 20X**  
**\$5 Neon 50X**  
**\$10 Neon 100X**

Sales for the following Fast Play games began March 7, 2016. No ending dates have been determined for these games.

**\$1 Beat the Dealer**  
**\$2 Lucky Loot**