



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 10, 2015

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 2015, 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. 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 Woostley".

Bishop Woostley
Director

Enclosures

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



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**Department of Finance
and Administration**

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April 10, 2015

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

RE: Monthly Disclosure Reports

Gentlemen:

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Bishop Woosley
Director

Enclosures

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

**DFA/Office of the Arkansas Lottery
Term Contracts for Goods and Services
March 1 through March 31, 2015**

No term contracts were entered into by the Office of the Arkansas Lottery during the month of March 2015.

DFA/Office of the Arkansas Lottery
Debt Set-Off and Retailer Losses
March 2015

1. Debt Set-Off:

a.	Arkansas Department of Finance and Administration	\$8,072.88
b.	Arkansas Office of Child Support Enforcement - Child Support	<u>\$4,890.13</u>
	Total Debt Set-Off:	\$12,963.01

2. Retailer losses for period March 1 through March 31, 2015: None.

DFA/OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
March 1 through March 31, 2015

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$9,476.00	\$8,766.50	\$18,334.00	\$458,239.00	\$5,966.00	\$9,200.00	\$7,569.00	\$16,618.00	\$534,168.50
ASHLEY	\$10,796.00	\$10,628.00	\$6,842.00	\$125,400.00	\$2,298.00	\$5,241.00	\$2,135.00	\$12,865.00	\$176,205.00
BAXTER	\$3,107.00	\$1,389.00	\$11,558.00	\$376,245.00	\$5,826.00	\$12,109.00	\$11,079.00	\$25,803.00	\$447,116.00
BENTON	\$5,068.00	\$2,513.00	\$21,612.00	\$986,412.00	\$20,370.00	\$50,143.00	\$20,447.00	\$103,503.00	\$1,210,068.00
BOONE	\$1,653.50	\$4,112.50	\$13,353.00	\$449,682.00	\$3,548.00	\$10,556.00	\$5,326.00	\$22,676.00	\$510,907.00
BRADLEY	\$1,731.50	\$1,906.50	\$2,316.00	\$147,600.00	\$1,750.00	\$2,500.00	\$2,145.00	\$4,865.00	\$164,814.00
CALHOUN	\$1,774.50	\$878.50	\$1,299.00	\$44,361.00	\$756.00	\$998.00	\$758.00	\$1,865.00	\$52,690.00
CARROLL	\$2,550.00	\$2,722.00	\$7,099.00	\$278,090.00	\$2,982.00	\$8,094.00	\$3,538.00	\$16,055.00	\$321,130.00
CHICOT	\$7,844.00	\$5,073.00	\$1,605.00	\$138,000.00	\$4,670.00	\$17,955.00	\$6,423.00	\$39,682.00	\$221,252.00
CLARK	\$3,289.50	\$1,529.00	\$6,958.00	\$344,328.00	\$4,182.00	\$7,956.00	\$5,527.00	\$14,898.00	\$388,667.50
CLAY	\$224.50	\$65.50	\$1,539.00	\$97,200.00	\$1,238.00	\$1,645.00	\$1,103.00	\$4,030.00	\$107,045.00
CLEBURNE	\$837.50	\$533.00	\$6,413.00	\$268,366.00	\$5,474.00	\$9,655.00	\$10,256.00	\$18,437.00	\$319,971.50
CLEVELAND	\$534.00	\$517.50	\$3,433.00	\$48,300.00	\$662.00	\$1,240.00	\$806.00	\$2,488.00	\$57,980.50
COLUMBIA	\$13,721.50	\$11,994.50	\$20,807.00	\$299,298.00	\$2,898.00	\$5,839.00	\$3,746.00	\$11,606.00	\$369,910.00
CONWAY	\$7,398.00	\$3,192.00	\$18,370.00	\$480,509.00	\$4,864.00	\$8,894.00	\$8,487.00	\$19,923.00	\$551,637.00
CRAIGHEAD	\$8,640.50	\$3,116.00	\$32,376.00	\$1,177,507.00	\$11,854.00	\$23,878.00	\$15,462.00	\$53,385.00	\$1,326,218.50
CRAWFORD	\$2,056.50	\$665.00	\$7,018.00	\$334,677.00	\$7,596.00	\$14,663.00	\$10,383.00	\$32,501.00	\$409,559.50
CRITTENDEN	\$15,919.00	\$13,111.00	\$7,091.00	\$539,416.00	\$7,378.00	\$23,881.00	\$10,077.00	\$53,414.00	\$670,287.00
CROSS	\$2,253.50	\$1,552.00	\$8,953.00	\$230,100.00	\$1,542.00	\$4,166.00	\$2,627.00	\$8,719.00	\$259,912.50
DALLAS	\$2,076.00	\$680.00	\$3,101.00	\$123,591.00	\$1,778.00	\$2,653.00	\$1,762.00	\$5,001.00	\$140,642.00
DESHA	\$2,327.50	\$1,287.50	\$4,780.00	\$147,074.00	\$2,844.00	\$5,149.00	\$4,339.00	\$11,396.00	\$179,197.00
DREW	\$1,400.00	\$883.50	\$4,376.00	\$203,400.00	\$3,076.00	\$5,439.00	\$3,701.00	\$11,997.00	\$234,272.50
FAULKNER	\$10,835.00	\$7,346.00	\$26,973.00	\$1,078,857.00	\$19,074.00	\$32,298.00	\$26,366.00	\$66,842.00	\$1,268,591.00
FRANKLIN	\$411.00	\$144.00	\$6,118.00	\$160,084.00	\$2,740.00	\$5,668.00	\$3,261.00	\$11,136.00	\$189,562.00
FULTON	\$342.50	\$310.00	\$958.00	\$61,965.00	\$858.00	\$1,627.00	\$956.00	\$4,042.00	\$71,058.50
GARLAND	\$7,512.00	\$6,220.50	\$33,923.00	\$932,395.00	\$24,442.00	\$42,659.00	\$37,325.00	\$82,010.00	\$1,166,486.50
GRANT	\$323.50	\$207.50	\$3,074.00	\$139,045.00	\$2,648.00	\$4,217.00	\$4,087.00	\$8,492.00	\$162,094.00
GREENE	\$935.00	\$667.50	\$4,623.00	\$537,537.00	\$5,874.00	\$11,476.00	\$6,278.00	\$24,106.00	\$591,496.50
HEMPSTEAD	\$28,795.50	\$7,865.00	\$6,541.00	\$378,071.00	\$2,516.00	\$6,357.00	\$3,627.00	\$11,445.00	\$445,217.50
HOT SPRING	\$1,336.00	\$723.00	\$8,003.00	\$342,677.00	\$5,740.00	\$9,788.00	\$8,292.00	\$17,201.00	\$393,760.00

DFA/OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
March 1 through March 31, 2015

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$20,191.00	\$7,549.50	\$4,251.00	\$214,794.00	\$2,256.00	\$4,496.00	\$2,894.00	\$7,081.00	\$263,512.50
INDEPENDENCE	\$2,002.50	\$734.50	\$26,682.00	\$575,061.00	\$6,824.00	\$11,592.00	\$9,966.00	\$22,771.00	\$655,633.00
IZARD	\$137.50	\$132.00	\$2,674.00	\$68,130.00	\$1,156.00	\$2,877.00	\$1,846.00	\$5,518.00	\$82,470.50
JACKSON	\$9,856.50	\$4,618.50	\$8,457.00	\$276,088.00	\$4,184.00	\$5,860.00	\$6,567.00	\$12,201.00	\$327,832.00
JEFFERSON	\$42,433.00	\$26,950.50	\$47,043.00	\$1,559,309.00	\$20,914.00	\$31,532.00	\$29,455.00	\$57,691.00	\$1,815,327.50
JOHNSON	\$596.50	\$376.50	\$9,569.00	\$249,192.00	\$2,558.00	\$6,155.00	\$4,092.00	\$12,235.00	\$284,774.00
LAFAYETTE	\$4,079.50	\$1,849.50	\$2,100.00	\$83,686.00	\$688.00	\$1,521.00	\$926.00	\$3,199.00	\$98,049.00
LAWRENCE	\$1,110.00	\$273.50	\$4,392.00	\$229,258.00	\$2,098.00	\$3,725.00	\$2,251.00	\$7,599.00	\$250,706.50
LEE	\$2,130.00	\$1,724.00	\$1,985.00	\$78,600.00	\$732.00	\$1,843.00	\$343.00	\$3,186.00	\$90,543.00
LINCOLN	\$380.00	\$235.50	\$3,436.00	\$91,663.00	\$2,152.00	\$2,142.00	\$3,063.00	\$4,679.00	\$107,750.50
LITTLE RIVER	\$4,079.50	\$2,214.50	\$876.00	\$102,477.00	\$1,210.00	\$2,901.00	\$1,477.00	\$4,502.00	\$119,737.00
LOGAN	\$666.50	\$316.00	\$5,728.00	\$212,495.00	\$2,836.00	\$5,792.00	\$3,766.00	\$12,473.00	\$244,072.50
LONOKE	\$8,047.00	\$5,488.50	\$25,599.00	\$881,059.00	\$15,354.00	\$25,498.00	\$20,252.00	\$50,820.00	\$1,032,117.50
MADISON	\$724.00	\$117.00	\$2,449.00	\$86,000.00	\$1,790.00	\$2,945.00	\$989.00	\$6,402.00	\$101,416.00
MARION	\$1,546.50	\$627.00	\$2,600.00	\$146,470.00	\$2,306.00	\$4,609.00	\$3,947.00	\$9,957.00	\$172,062.50
MILLER	\$28,220.50	\$10,598.00	\$5,502.00	\$469,624.00	\$3,378.00	\$10,902.00	\$7,241.00	\$19,148.00	\$554,613.50
MISSISSIPPI	\$44,984.00	\$25,578.00	\$6,719.00	\$570,955.00	\$3,426.00	\$10,769.00	\$5,203.00	\$22,107.00	\$689,741.00
MONROE	\$5,646.50	\$1,047.50	\$4,433.00	\$164,019.00	\$1,792.00	\$3,736.00	\$1,909.00	\$8,129.00	\$190,712.00
MONTGOMERY	\$72.00	\$15.00	\$1,423.00	\$19,200.00	\$550.00	\$1,550.00	\$855.00	\$3,015.00	\$26,680.00
NEVADA	\$4,185.00	\$734.50	\$3,135.00	\$229,877.00	\$1,676.00	\$3,301.00	\$1,611.00	\$5,579.00	\$250,098.50
NEWTON	\$49.00	\$1.50	\$3,572.00	\$45,900.00	\$642.00	\$1,583.00	\$1,102.00	\$2,399.00	\$55,248.50
OUACHITA	\$15,383.50	\$6,594.00	\$17,992.00	\$519,897.00	\$5,740.00	\$7,336.00	\$6,182.00	\$15,842.00	\$594,966.50
PERRY	\$528.00	\$268.00	\$2,634.00	\$76,083.00	\$1,204.00	\$3,871.00	\$1,751.00	\$5,520.00	\$91,859.00
PHILLIPS	\$8,009.50	\$4,212.50	\$3,016.00	\$219,086.00	\$2,898.00	\$10,917.00	\$3,067.00	\$24,272.00	\$275,478.00
PIKE	\$319.50	\$69.00	\$7,236.00	\$99,891.00	\$2,220.00	\$2,952.00	\$2,564.00	\$5,897.00	\$121,148.50
POINSETT	\$5,071.00	\$1,642.50	\$20,052.00	\$373,574.00	\$2,910.00	\$6,701.00	\$5,715.00	\$15,198.00	\$430,863.50
POLK	\$475.50	\$153.00	\$4,838.00	\$129,353.00	\$2,782.00	\$5,100.00	\$2,968.00	\$11,262.00	\$156,931.50
POPE	\$5,339.50	\$2,296.50	\$8,704.00	\$829,380.00	\$10,536.00	\$21,231.00	\$16,295.00	\$42,392.00	\$936,174.00
PRAIRIE	\$1,946.50	\$677.50	\$4,646.00	\$178,424.00	\$1,510.00	\$2,729.00	\$1,640.00	\$5,570.00	\$197,143.00
PULASKI	\$107,166.50	\$72,100.50	\$199,900.00	\$5,850,609.00	\$103,618.00	\$176,580.00	\$151,003.00	\$325,965.00	\$6,986,942.00
RANDOLPH	\$108.50	\$243.00	\$4,498.00	\$192,984.00	\$2,190.00	\$2,812.00	\$2,353.00	\$6,312.00	\$211,500.50

DFA/OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
March 1 through March 31, 2015

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$8,620.50	\$6,267.50	\$5,840.00	\$286,939.00	\$3,188.00	\$8,299.00	\$3,235.00	\$16,791.00	\$339,180.00
SALINE	\$6,392.00	\$4,478.50	\$43,259.00	\$997,632.00	\$17,416.00	\$34,197.00	\$29,543.00	\$68,238.00	\$1,201,155.50
SCOTT	\$459.00	\$181.00	\$1,027.00	\$109,762.00	\$1,684.00	\$2,906.00	\$1,868.00	\$5,651.00	\$123,538.00
SEARCY	\$345.00	\$481.50	\$3,684.00	\$87,300.00	\$938.00	\$1,890.00	\$1,736.00	\$4,071.00	\$100,445.50
SEBASTIAN	\$19,004.50	\$5,810.50	\$10,820.00	\$807,585.00	\$19,168.00	\$43,425.00	\$22,889.00	\$86,192.00	\$1,014,894.00
SEVIER	\$2,854.00	\$504.50	\$2,940.00	\$134,493.00	\$1,414.00	\$4,553.00	\$1,827.00	\$7,621.00	\$156,206.50
SHARP	\$708.00	\$257.50	\$9,544.00	\$200,415.00	\$3,126.00	\$5,105.00	\$4,119.00	\$10,563.00	\$233,837.50
STONE	\$607.50	\$228.00	\$3,869.00	\$85,935.00	\$1,800.00	\$3,119.00	\$2,216.00	\$5,954.00	\$103,728.50
UNION	\$54,191.50	\$27,668.50	\$19,890.00	\$878,551.00	\$7,100.00	\$15,456.00	\$8,819.00	\$30,863.00	\$1,042,539.00
VAN BUREN	\$1,483.00	\$383.00	\$4,145.00	\$166,547.00	\$2,150.00	\$4,813.00	\$4,385.00	\$9,651.00	\$193,557.00
WASHINGTON	\$17,968.50	\$6,538.00	\$27,324.00	\$1,395,825.00	\$27,900.00	\$58,552.00	\$30,190.00	\$117,188.00	\$1,681,485.50
WHITE	\$5,678.00	\$2,976.00	\$31,993.00	\$1,049,267.00	\$13,470.00	\$20,523.00	\$19,156.00	\$40,408.00	\$1,183,471.00
WOODRUFF	\$3,873.00	\$394.50	\$487.00	\$111,489.00	\$1,422.00	\$2,174.00	\$1,983.00	\$4,613.00	\$126,435.50
YELL	\$517.50	\$67.00	\$8,811.00	\$224,498.00	\$3,124.00	\$5,435.00	\$5,500.00	\$10,821.00	\$258,773.50

GRAND TOTALS	*Cash 3	*Cash 4	*Fast Play	*Instant Settlements	*Lucky for Life	*Mega Millions	*Natural State Jackpot	*Powerball	*Totals
	\$603,356.00	\$336,273.00	\$919,220.00	\$32,287,802.00	\$485,474.00	\$941,949.00	\$668,647.00	\$1,874,547.00	\$38,117,268.00

*Estimates

**DFA/Office of the Arkansas Lottery
Total Number of Active Retailers
March 2015**

There were 1,901 active retailers as of March 31, 2015.

Office of the Arkansas Lottery
(a division of Arkansas Department of Finance and Administration)
Statement of Net Position
March 31, 2015

ASSETS

Current assets:	
Cash and Cash Equivalents	\$ 2,054,057.49
Restricted Assets:	
Cash and cash equivalents	6,980,639.58
Accounts receivable	12,294,326.89
Prepaid items	<u>64,651.33</u>
Total current assets	<u>21,393,675.29</u>
Non-current assets:	
Restricted assets:	
Cash and cash equivalents	20,110,948.53
Deposits with Multi-State Lottery Association	1,788,474.45
Capital assets:	
Equipment	648,832.23
Leasehold Improvements	498,416.68
Less accumulated depreciation	<u>(977,237.50)</u>
Total non-current assets	<u>22,069,434.39</u>
Total assets	<u>\$ 43,463,109.68</u>

LIABILITIES

Current liabilities:	
Accounts payable	\$ 1,249,023.07
Prizes payable	20,177,712.49
Accrued and other liabilities	1,154,269.08
Due to other funds of the State	580,059.99
Payable to Arkansas Department of Higher Education	2,396,786.04
Compensated absences	293,559.25
Unearned revenue	<u>317,625.63</u>
Total current liabilities	<u>26,169,035.55</u>
Long-Term liabilities:	
Net other post employment benefits	<u>1,551,507.76</u>
Total long-term liabilities	<u>1,551,507.76</u>
Total liabilities	<u>27,720,543.31</u>

NET POSITION

Net position:	
Invested in capital assets	170,011.41
Restricted for:	
Scholarship shortfall reserve trust fund	20,000,000.00
Retailer fidelity fund	110,948.53
Deposits with Multi-State Lottery Assn.	1,788,474.45
Unclaimed prizes reserve	4,583,853.54
Unrestricted	<u>(10,910,721.56)</u>
Total net position	<u>15,742,566.37</u>
Total liabilities & net position	<u>\$ 43,463,109.68</u>

Office of the Arkansas Lottery
(a division of Arkansas Department of Finance and Administration)
Statement of Revenues, Expenses, and Change in Net Position
For Nine Months Ended March 31, 2015

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 31,558,217.00	\$ 248,835,135.50
Online ticket sales	5,757,181.50	56,593,558.50
Retailer application, fidelity and service fees	50,896.75	416,209.53
Other revenue	<u>1,158.00</u>	<u>18,205.80</u>
 Total operating revenues	 <u>37,367,453.25</u>	 <u>305,863,109.33</u>
 Operating expenses:		
Instant game prizes	22,498,499.60	179,224,356.67
Online game prizes	3,040,806.57	29,371,206.75
Retailer commissions	2,136,416.52	17,224,138.28
Gaming contract costs	1,933,449.90	15,477,305.04
Compensation and benefits	467,057.10	4,299,663.61
Marketing, advertising and promotions	419,663.79	3,598,551.29
General and administrative expenses	85,690.54	995,486.30
Services provided by ADHE	62,500.00	562,500.00
Services provided by Legislative Audit Agency	19,493.33	129,959.99
Legal and professional services	0.00	7,545.09
Depreciation	<u>11,421.20</u>	<u>122,257.48</u>
 Total operating expenses	 <u>30,674,998.55</u>	 <u>251,012,970.50</u>
 Operating income	 6,692,454.70	 54,850,138.83
 Non-operating revenue (expense):		
Interest income	<u>12,583.54</u>	<u>171,051.25</u>
 Income before transfers	 6,705,038.24	 55,021,190.08
 Transfers to:		
Education Trust Account	(6,898,524.35)	(52,881,261.05)
Shortfall Account from Trust Account for ADHE	4,501,738.31	-
Arkansas Department of Human Services	<u>(200,000.00)</u>	<u>(200,000.00)</u>
 Change in net position	 <u>\$ 4,308,252.20</u>	 1,939,929.03
 Total net position - beginning		<u>13,802,637.34</u>
Total net position - ending		<u>\$ 15,742,566.37</u>

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

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating Revenues										
Instant Games	\$ 31,558,217.00	84.45	\$ 34,084,690.74	81.14	\$ (2,526,473.74)	\$ 248,835,135.50	81.36	\$ 247,363,611.44	79.55	\$ 1,471,524.06
OnLine Games	5,757,181.50	15.41	7,876,232.26	18.75	(2,119,050.76)	56,593,558.50	18.50	63,166,109.56	20.31	(6,572,551.06)
Retailer application, fidelity	50,896.75	0.14	47,000.00	0.11	3,896.75	416,209.53	0.14	420,000.00	0.14	(3,790.47)
Other Revenue	1,158.00	0.00	900.00	0.00	258.00	18,205.80	0.01	7,500.00	0.00	10,705.80
Total Operating Revenues	37,367,453.25	100.00	42,008,823.00	100.00	(4,641,369.75)	305,863,109.33	100.00	310,957,221.00	100.00	(5,094,111.67)
Operating Expenses										
Instant Game Prizes	22,498,499.60	60.21	24,357,174.91	57.98	(1,858,675.31)	179,224,356.67	58.60	176,104,338.22	56.63	3,120,018.45
On-Line Game Prizes	3,040,806.57	8.14	4,183,608.09	9.96	(1,142,801.52)	29,371,206.75	9.60	33,386,737.78	10.74	(4,015,531.03)
Retailer Commissions	2,136,416.52	5.72	2,349,818.00	5.59	(213,401.48)	17,224,138.28	5.63	17,389,711.00	5.59	(165,572.72)
Gaming Contract Costs	1,933,449.90	5.17	2,066,891.00	4.92	(133,441.10)	15,477,305.04	5.06	15,295,927.00	4.92	181,378.04
Staff Compensation & Benefits	467,057.10	1.25	534,962.00	1.27	(67,904.90)	4,299,663.61	1.41	4,708,298.00	1.51	(408,634.39)
Marketing, Advertising & Promo	419,663.79	1.12	416,667.00	0.99	2,996.79	3,598,551.29	1.18	3,750,000.00	1.21	(151,448.71)
General and administrative ex	85,690.54	0.23	114,167.00	0.27	(28,476.46)	995,486.30	0.33	1,052,500.00	0.34	(57,013.70)
Services Provided by Other Age	81,993.33	0.22	66,667.00	0.16	15,326.33	692,459.99	0.23	600,000.00	0.19	92,459.99
Legal and Professional Service	-	-	800.00	0.00	(800.00)	7,545.09	0.00	7,500.00	0.00	45.09
Capital asset depreciation	11,421.20	0.03	17,600.00	0.04	(6,178.80)	122,257.48	0.04	157,200.00	0.05	(34,942.52)
Total Operating Expenses	30,674,998.55	82.09	34,108,355.00	81.19	(3,433,356.45)	251,012,970.50	82.07	252,452,212.00	81.19	(1,439,241.50)
Operating Income	6,692,454.70	17.91	7,900,468.00	18.81	(1,208,013.30)	54,850,138.83	17.93	58,505,009.00	18.81	(3,654,870.17)
Interest Income	12,583.54	0.03	11,667.00	0.03	916.54	171,051.25	0.06	105,000.00	0.03	66,051.25
Non-Operating Revenue (Expense)	-					-				-
Income before transfers	\$ 6,705,038.24	17.94	\$ 7,912,135.00	18.83	\$ (1,207,096.76)	\$ 55,021,190.08	17.99	\$ 58,610,009.00	18.85	\$ (3,588,818.92)

Office of the Arkansas Lottery
(a division of Arkansas Department of Finance and Administration)
Net Proceeds Transfer to Ed Trust Computation
Modified Cash Basis
For Nine Months Ended March 31, 2015

	Year to date
Operating revenues:	
Instant ticket SETTLEMENTS	\$ 247,941,411.50
Online ticket sales	56,593,558.50
Retailer application, fidelity and service fees	416,209.53
Other revenue	<u>18,205.80</u>
 Total operating revenues	 <u>304,969,385.33</u>
 Operating expenses:	
Instant game prizes SETTLEMENTS	176,973,599.00
Online game prizes	29,371,206.75
Retailer commissions	17,224,138.28
Gaming contract costs	15,477,305.04
Compensation and benefits	4,299,663.61
Marketing, advertising and promotions	3,598,551.29
General and administrative expenses	995,486.30
Services provided by ADHE	562,500.00
Services provided by Legislative Audit Agency	129,959.99
Legal and professional services	7,545.09
Current year Capital Asset cost	<u>46,155.88</u>
Total operating expenses	<u>248,686,111.23</u>
 Change in net proceeds from operations	 56,283,274.10
 Nonoperating revenue (expense):	
Interest Income	171,051.25
Other Non Operating Income	0.00
EDUCATION TRUST FUNDING-Current Year	(45,982,736.70)
Less Act 1180 Unclaimed Prizes	(3,583,853.54)
Less Transfer to ADHS	(200,000.00)
Less Current year Fidelity Fund fees	(19,815.51) restricted fund
Less Current year MUSL Reserves (additions) / reductions	5,604.75 see 23-115-103(17) and (19)(A)&(B)
Add OPEB expense in Comp and Benefits	<u>225,000.00</u>

NET PROCEEDS EARNED-Current Month

\$ 6,898,524.35

	Transfer	Interest	Total
Totals	\$ 1,502,501.75	\$ 894,284.29	\$ 2,396,786.04
February transfer to ADHE 2/3/14	\$ (27,000,000.00)		\$ (27,000,000.00)
February transfer to ADHE 2/12/14	\$ (6,000,000.00)		\$ (6,000,000.00)
Transfer from Shortfall Reserve 2/24/14	\$ 12,000,000.00		\$ 12,000,000.00
February transfer to ADHE 2/25/14	\$ (12,000,000.00)		\$ (12,000,000.00)
February 2014 funding - 3/15/14	\$ 5,908,720.60	\$ 1,234.90	\$ 5,909,955.50
February transfer to Shortfall Reserve 3/15/13	\$ (5,923,925.49)		\$ (5,923,925.49)
March 2014 funding - 4/15/14	\$ 7,324,141.28	\$ 91.78	\$ 7,324,233.06
March transfer to Shortfall Reserve 3/15/13	\$ (6,076,074.51)		\$ (6,076,074.51)
April 2014 funding - 5/15/14	\$ 7,475,645.50	\$ 505.34	\$ 7,476,150.84
May 2014 funding - 6/15/14	\$ 6,509,958.59	\$ 3,286.80	\$ 6,513,245.39
June 2014 funding - 7/15/14	\$ 11,921,510.53	\$ 6,103.45	\$ 11,927,613.98
ADHE Refund for excess funding 7/18/14	\$ 2,319,467.65		\$ 2,319,467.65
July 2014 funding - 8/15/14	\$ 5,917,170.44	\$ 11,277.55	\$ 5,928,447.99
August 2014 funding - 9/15/15	\$ 5,282,380.92	\$ 14,584.88	\$ 5,296,965.80
June 2014 Audit Adjustments funding - 9/10/14	\$ 30,888.58		\$ 30,888.58
September transfer to ADHE 9/11/14	\$ (40,000,000.00)		\$ (40,000,000.00)
September 2014 funding - 10/15/14	\$ 4,310,517.64	\$ 6,709.46	\$ 4,317,227.10
October transfer to ADHE 10/15/14	\$ (5,000,000.00)		\$ (5,000,000.00)
October 2014 funding - 11/15/14	\$ 5,939,388.01	\$ 237.58	\$ 5,939,625.59
November 2014 funding - 12/15/14	\$ 5,575,489.06	\$ 1,546.10	\$ 5,577,035.16
December 2014 funding - 1/15/15	\$ 5,469,403.21	\$ 4,915.56	\$ 5,474,318.77
January 2015 funding - 2/15/15	\$ 7,280,972.70	\$ 6,800.58	\$ 7,287,773.28
February transfer to ADHE 2/12/15	\$ (35,000,000.00)		\$ (35,000,000.00)
Transfer from Shortfall Reserve 2/10/15	\$ 10,663,081.32		\$ 10,663,081.32
February 2015 funding - 3/15/15	\$ 6,157,718.14	\$ 3,624.87	\$ 6,161,343.01
February transfer to Shortfall Reserve 3/15/15	\$ (6,161,343.01)		\$ (6,161,343.01)
March 2015 funding - 4/15/15	\$ 6,898,523.80	\$ 0.55	\$ 6,898,524.35
February transfer to Shortfall Reserve 4/15/15	\$ (4,501,738.31)		\$ (4,501,738.31)

Office of the Arkansas Lottery
(a division of Arkansas Department of Finance and Administration)
Unclaimed Prizes
March 31, 2015

	Monthly	Year to Date
Reserve Balance July 1, 2014		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 716,757.34	3,802,018.47
2. Expenditures from unclaimed lottery prize money:		218,164.93
3. Reserved for future prizes, promotions or reserves:	716,757.34	3,583,853.54
Deposits to net lottery proceeds from unclaimed Lottery prize money:		
Reserve Balance March 31, 2015		\$4,583,853.54

**DFA/OFFICE OF THE ARKANSAS LOTTERY
MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
March 1 through March 31, 2015**

Vendors	Goods or Services	Diversity Classification	March 2015	FY 2015 Total
A-Absolute Moving & Hauling	Trucking/Hauling	Minority-owned		\$669.90
Goddess Products	Office Furniture/Supplies	Minority-owned	\$1,422.84	\$27,744.39
Government Supply Services	Office Products	Minority-owned		\$890.78
Northeast Arkansas Cleaning Service	Janitorial Services	Female-owned		\$1,215.35
Ride N Shine Detail	Auto Servicing	Minority-owned		\$54.50
Trivia Marketing	Advertising/Public Relations	Female-owned		\$253.05
Totals			\$1,422.84	\$30,827.97

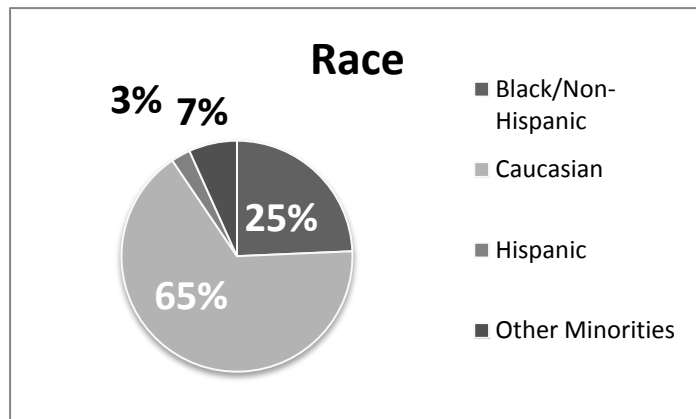
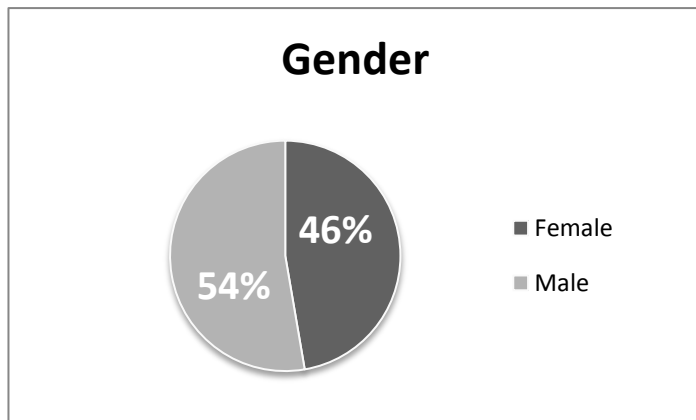
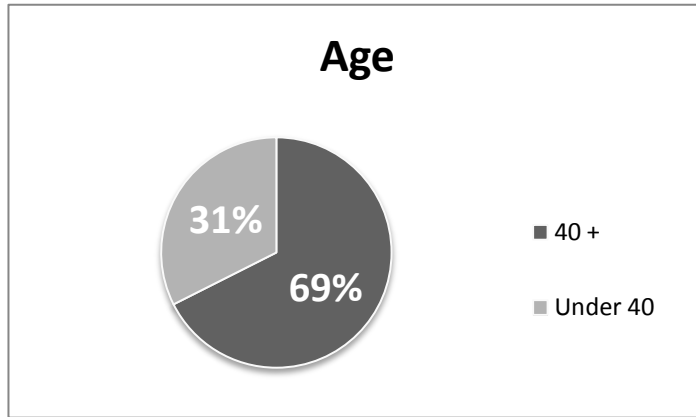
**INTRALOT MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
March 1 through March 31, 2015**

Vendors	Goods or Services	Diversity Classification	March 2015	FY 2015 Total
Goddess Products	Office Furniture/Supplies	Minority-owned		\$1,454.60
J Kelly Referrals and Information Services	Call Center/Information Services	Minority-owned	\$10,194.42	\$93,352.57
Totals			\$10,194.42	\$94,807.17

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

Vendors	Goods or Services	Diversity Classification	March 2015	FY 2015 Total
Expedited Transportation Service	Transportation Services	Female-owned	\$1,427.89	\$17,964.25
Mr. Klean Carpet and Janitorial Service	Janitorial Services	Minority-owned	\$726.60	\$3,633.00
Premier Staffing	Staffing Services	Female-owned	\$1,074.17	\$24,408.95
Totals			\$3,228.66	\$46,006.20

**DFA-Office of the Arkansas Lottery
Demographics – March 2015**



Total Number of Employees as of March 31, 2015: 71

Gender:

Females – 33
Males – 38

Age:

Under 40 – 22
40 + – 49

Race:

Black/Non-Hispanic – 18
Female – 11
Male - 7

Caucasian – 46
Female - 18
Male - 28

Hispanic – 2
Female - 2
Male - 0

Other – 5
Female - 2
Male - 3

**Department of Finance and Administration
Office of the Arkansas Lottery – Internal Audit
Arkansas Lottery Legislative Oversight Committee Monthly Report
April 10, 2015**

Note: Given that Act 218 of the 90th General Assembly, which dissolved the Arkansas Lottery Commission and created the Office of the Arkansas Lottery within the Department of Finance and Administration, was signed into law on February 26, 2015, information included in the Division of Legislative Audit’s finding noted below and related management response includes references to “Arkansas Lottery Commission” or “ALC.”

Division of Legislative Audit Findings Update

Per Arkansas Code Annotated § 23-115-212 (c) (1) (B), the Internal Auditor employed by the Office of the Arkansas Lottery (OAL) is required to update the Arkansas Lottery Legislative Oversight Committee regarding resolution of the Division of Legislative Audit’s findings included in the annual financial report for the OAL. On December 29, 2014, the Division of Legislative Audit (DLA) released its report for Arkansas Lottery Commission for the fiscal year ended June 30, 2014 under early release procedures. The report has not yet been formally presented to the Legislative Joint Auditing Committee.

DLA’s *Report on Internal Control over Financial Reporting and on Compliance and Other Matters* includes the following findings:

DLA Finding 2014-2:	<p>Travel regulation R1-19-4-903 states that when privately-owned motor vehicles are used for official business travel, the traveler may claim reimbursement at the rate per mile established by the Chief Fiscal Officer (CFO) of the State in effect during the time the travel occurred. On January 15, 2014, the Commission authorized an increase in the mileage reimbursement rate for Agency employees from \$0.42 per mile to \$0.56 per mile. During review of travel reimbursements, we selected five marketing sales representatives for testing. For those five employees, the increased rate in mileage reimbursement for the period of January 15 - June 27, 2014, resulted in a total additional cost to the Agency of \$6,535.</p> <p>We recommend the Agency seek an Attorney General's opinion as to whether the Agency is exempt from the reimbursement rate per mile established by the CFO of the State. If the Attorney General opines that travel regulation R1-19-4-903 applies to the Agency, we recommend the Agency reduce the mileage reimbursement rate to \$0.42 per mile, as established by the CFO of the State. We further recommend the Agency seek reimbursement from all affected employees for all amounts reimbursed above the authorized rate.</p>
Management Response:	The ALC will review the finding and determine whether to change policy to conform with the finding or to seek an Attorney General’s opinion.

**Department of Finance and Administration
Office of the Arkansas Lottery – Internal Audit
Arkansas Lottery Legislative Oversight Committee Monthly Report
April 10, 2015**

Internal Audit Update:	<p>On January 21, 2015, members of the Arkansas Lottery Commission voted to empower the ALC Director to seek an opinion from the Attorney General regarding the issue raised in the DLA's finding. Further, the Commission instituted an immediate policy of reverting to a mileage reimbursement rate of \$0.42 per mile, with the difference between the \$0.56 per mile rate being held in escrow (\$0.14 per mile) until receipt of the Attorney General's opinion on the issue. On January 27, 2015, ALC Management submitted the request for an opinion to the Attorney General's office, and receipt of such request was acknowledged by Attorney General Leslie Rutledge on January 29, 2015.</p> <p>Effective February 26, 2015 with the signing of Act 218, the mileage reimbursement rate for the OAL became \$0.42 per mile, consistent with the travel regulation outlined in DLA's finding.</p> <p>On March 26, 2015 Attorney General Leslie Rutledge issued an opinion stating that the ALC was subject to the travel regulation cited in DLA's finding. OAL Management is reviewing the Attorney General's opinion to determine if any further action is necessary at this time.</p> <p>Internal Audit will continue to monitor the situation before concluding on resolution of the issue noted in DLA's finding, and will seek concurrence with DLA before considering the finding cleared.</p>
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No additional issues or problems resulting from internal audits have been reported to the Director of the Department of Finance and Administration since the previous report submitted to the Arkansas Lottery Commission Legislative Oversight Committee on March 10, 2015.

DFA/Office of the Arkansas Lottery
Instant & Fast Play Games
March 2015

Sales for the following instant games began March 3, 2015. No ending dates have been determined for these games.

- \$1 Make My Day™**
- \$2 Make My Week™**
- \$5 Make My Month™**
- \$10 Make My Year™**

Sales for the following Fast Play games began March 2, 2015. No ending dates have been determined for these games.

- \$1 Find the 9's**
- \$2 Lucky Loot**