



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, 2019

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

RE: Monthly Disclosure Reports

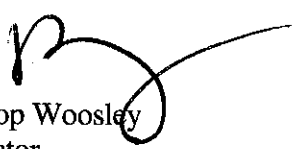
Dear Governor Hutchinson:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, pursuant to A.C.A. §§ 23-115-206 and 23-115-302, please accept the attached disclosure reports for the month of March 2019. 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,


Bishop Woosley
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, 2019

The Honorable Keith Ingram, 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, pursuant to A.C.A. §§ 23-115-206 and 23-115-302, please accept the attached disclosure reports for the month of March 2019. The reports contain the following information:

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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

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Term Contracts for Goods and Services
March 1 through March 31, 2019

On March 4, 2019, the Department of Finance and Administration Office of the Arkansas Lottery (OAL) and Scientific Games International (SGI) entered into a Non-Exclusive Licensing Agreement. SGI grants OAL the exclusive right in the state of Arkansas to reproduce, use, and make copies of the Property in association with the sale, marketing, advertising, and promotion of a scratch-off instant-win lottery game to be conducted by the OAL and identified as AR-504 "CONNECT 4™." All rights not specifically granted to the OAL are reserved by SGI and/or Licensor. The following information regarding the agreement is provided:

- a. Date of Agreement: March 4, 2019.
- b. Term of Agreement: The term of this Agreement shall commence on the date the Working Papers for the Game are signed and shall expire on the last day for claiming Game prizes as established by the OAL.
- c. Vendor or other parties to the Agreement: Scientific Games International.
- d. Value (cost or cost savings projected for the agreement): The base instant game contract price is 1.30% of net sales. There is a price of \$1.89 per 1000 tickets for FailSafe Barcode Services and a price of 1.35% of the prize fund for Points for Prizes Rewards/Merchandise Prizes and Fulfillment. The preceding costs are standard for OAL instant games. There are no additional costs for the use of CONNECT 4™.

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Debt Set-Off and Retailer Losses
March 2019**

1. Debt Set-Off Collections:

a.	Arkansas Department of Finance and Administration	\$13,100.78
b.	Arkansas Office of Child Support Enforcement - Child Support	<u>\$2,207.31</u>
	Total Debt Set-Off:	\$15,308.09

2. Retailer Losses: \$0.00

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
March 1 through March 31, 2019

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$7,677.50	\$6,785.50	\$12,054.00	\$549,624.00	\$2,682.00	\$14,830.00	\$6,049.00	\$53,723.00	\$653,425.00
ASHLEY	\$14,973.50	\$12,175.00	\$3,821.00	\$178,023.00	\$890.00	\$6,631.00	\$2,558.00	\$26,724.00	\$245,795.50
BAXTER	\$2,649.50	\$1,132.50	\$9,157.00	\$474,609.00	\$6,514.00	\$20,953.00	\$12,317.00	\$91,307.00	\$618,639.00
BENTON	\$6,834.50	\$4,580.00	\$19,606.00	\$1,360,671.00	\$15,166.00	\$88,728.00	\$25,101.00	\$418,609.00	\$1,939,295.50
BOONE	\$1,897.50	\$2,035.50	\$46,727.00	\$560,191.00	\$2,144.00	\$15,554.00	\$5,377.00	\$65,961.00	\$699,887.00
BRADLEY	\$1,641.50	\$2,835.00	\$3,860.00	\$199,498.00	\$908.00	\$3,931.00	\$1,753.00	\$14,707.00	\$229,133.50
CALHOUN	\$5,061.00	\$1,201.50	\$2,562.00	\$65,206.00	\$402.00	\$1,453.00	\$680.00	\$5,045.00	\$81,610.50
CARROLL	\$205.00	\$563.50	\$6,740.00	\$257,201.00	\$1,734.00	\$9,092.00	\$3,750.00	\$39,265.00	\$318,550.50
CHICOT	\$9,886.00	\$7,738.00	\$2,864.00	\$243,279.00	\$5,008.00	\$35,783.00	\$7,946.00	\$122,678.00	\$435,182.00
CLARK	\$2,527.50	\$1,351.50	\$28,034.00	\$414,104.00	\$1,756.00	\$11,204.00	\$4,793.00	\$51,188.00	\$514,958.00
CLAY	\$148.00	\$59.00	\$2,851.00	\$139,511.00	\$514.00	\$3,971.00	\$1,798.00	\$15,078.00	\$163,930.00
CLEBURNE	\$1,689.00	\$641.50	\$22,348.00	\$326,486.00	\$2,854.00	\$14,923.00	\$9,334.00	\$61,123.00	\$439,398.50
CLEVELAND	\$331.50	\$508.00	\$1,312.00	\$86,883.00	\$892.00	\$1,737.00	\$916.00	\$7,225.00	\$99,804.50
COLUMBIA	\$17,324.00	\$7,656.00	\$15,647.00	\$363,065.00	\$1,736.00	\$7,717.00	\$3,061.00	\$30,886.00	\$447,092.00
CONWAY	\$4,959.00	\$2,652.50	\$9,748.00	\$459,699.00	\$1,890.00	\$13,313.00	\$6,737.00	\$53,112.00	\$552,110.50
CRAIGHEAD	\$13,415.00	\$8,019.00	\$39,214.00	\$1,796,017.00	\$6,916.00	\$41,790.00	\$16,353.00	\$194,087.00	\$2,115,811.00
CRAWFORD	\$1,465.50	\$422.50	\$8,682.00	\$412,471.00	\$3,822.00	\$23,127.00	\$16,013.00	\$104,650.00	\$570,653.00
CRITTENDEN	\$19,034.50	\$13,666.50	\$10,408.00	\$646,720.00	\$5,340.00	\$34,559.00	\$10,531.00	\$156,905.00	\$897,164.00
CROSS	\$4,171.50	\$1,872.50	\$6,621.00	\$284,575.00	\$1,068.00	\$6,249.00	\$2,778.00	\$32,005.00	\$339,340.00
DALLAS	\$1,720.00	\$1,048.00	\$7,300.00	\$199,622.00	\$768.00	\$4,401.00	\$1,668.00	\$15,684.00	\$232,211.00
DESHA	\$2,148.00	\$1,865.50	\$2,630.00	\$266,282.00	\$1,296.00	\$9,297.00	\$3,799.00	\$32,842.00	\$320,159.50
DREW	\$2,922.50	\$1,965.00	\$11,881.00	\$337,527.00	\$2,318.00	\$10,648.00	\$3,632.00	\$35,923.00	\$406,816.50
FAULKNER	\$11,928.50	\$5,809.00	\$69,754.00	\$1,390,820.00	\$9,368.00	\$56,869.00	\$28,713.00	\$225,324.00	\$1,798,585.50
FRANKLIN	\$755.50	\$120.50	\$9,884.00	\$220,679.00	\$2,662.00	\$8,446.00	\$3,564.00	\$35,933.00	\$282,044.00
FULTON	\$272.00	\$201.00	\$2,103.00	\$68,094.00	\$702.00	\$2,128.00	\$1,357.00	\$9,619.00	\$84,476.00
GARLAND	\$18,321.00	\$8,524.50	\$37,175.00	\$1,182,501.00	\$11,950.00	\$70,048.00	\$39,589.00	\$274,281.00	\$1,642,389.50
GRANT	\$812.50	\$289.00	\$10,816.00	\$183,395.00	\$1,428.00	\$8,486.00	\$4,009.00	\$31,042.00	\$240,277.50
GREENE	\$1,016.00	\$400.00	\$23,735.00	\$792,259.00	\$3,532.00	\$19,952.00	\$7,018.00	\$84,025.00	\$931,937.00
HEMPSTEAD	\$47,745.50	\$14,666.00	\$14,638.00	\$408,743.00	\$1,526.00	\$8,627.00	\$2,737.00	\$32,093.00	\$530,775.50
HOT SPRING	\$1,162.50	\$341.50	\$15,611.00	\$424,377.00	\$2,462.00	\$14,541.00	\$6,775.00	\$52,514.00	\$517,784.00

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
March 1 through March 31, 2019**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$22,904.00	\$8,850.00	\$8,196.00	\$282,262.00	\$1,574.00	\$5,529.00	\$2,663.00	\$19,937.00	\$351,915.00
INDEPENDENCE	\$2,645.00	\$1,719.50	\$54,936.00	\$714,542.00	\$2,582.00	\$19,725.00	\$11,034.00	\$73,800.00	\$880,983.50
IZARD	\$130.50	\$85.50	\$5,261.00	\$95,289.00	\$800.00	\$4,090.00	\$2,554.00	\$16,181.00	\$124,391.00
JACKSON	\$17,076.00	\$8,355.50	\$25,087.00	\$380,757.00	\$1,558.00	\$8,625.00	\$5,308.00	\$32,594.00	\$479,360.50
JEFFERSON	\$55,953.00	\$36,190.50	\$47,346.00	\$1,906,950.00	\$9,878.00	\$55,939.00	\$23,277.00	\$189,871.00	\$2,325,404.50
JOHNSON	\$585.00	\$791.00	\$7,354.00	\$285,666.00	\$1,494.00	\$9,546.00	\$4,268.00	\$44,559.00	\$354,263.00
LAFAYETTE	\$7,184.50	\$2,140.00	\$3,677.00	\$89,418.00	\$574.00	\$2,175.00	\$751.00	\$8,367.00	\$114,286.50
LAWRENCE	\$1,331.50	\$804.50	\$13,933.00	\$331,200.00	\$1,228.00	\$7,607.00	\$2,626.00	\$29,746.00	\$388,476.00
LEE	\$2,010.50	\$5,454.50	\$3,207.00	\$105,000.00	\$430.00	\$3,045.00	\$930.00	\$12,073.00	\$132,150.00
LINCOLN	\$361.50	\$1,062.50	\$5,478.00	\$124,474.00	\$830.00	\$4,551.00	\$2,507.00	\$16,318.00	\$155,582.00
LITTLE RIVER	\$5,699.00	\$3,078.50	\$4,784.00	\$123,679.00	\$638.00	\$4,483.00	\$1,343.00	\$18,089.00	\$161,793.50
LOGAN	\$1,382.50	\$342.00	\$11,339.00	\$232,738.00	\$1,322.00	\$9,560.00	\$3,943.00	\$35,518.00	\$296,144.50
LONOKE	\$11,903.00	\$5,573.00	\$32,212.00	\$1,089,735.00	\$6,890.00	\$42,734.00	\$18,691.00	\$170,841.00	\$1,378,579.00
MADISON	\$79.00	\$103.50	\$882.00	\$84,071.00	\$630.00	\$4,403.00	\$1,467.00	\$20,620.00	\$112,255.50
MARION	\$3,277.50	\$1,124.00	\$6,879.00	\$233,538.00	\$2,318.00	\$7,237.00	\$5,546.00	\$29,303.00	\$289,222.50
MILLER	\$27,681.00	\$10,158.00	\$18,873.00	\$625,403.00	\$4,360.00	\$16,625.00	\$5,802.00	\$64,555.00	\$773,457.00
MISSISSIPPI	\$44,434.50	\$19,372.50	\$12,105.00	\$726,636.00	\$1,814.00	\$15,487.00	\$4,154.00	\$76,671.00	\$900,674.00
MONROE	\$3,256.50	\$2,173.00	\$5,758.00	\$191,579.00	\$560.00	\$6,363.00	\$2,842.00	\$25,645.00	\$238,176.50
MONTGOMERY	\$35.00	\$196.00	\$2,751.00	\$22,917.00	\$186.00	\$1,911.00	\$819.00	\$9,121.00	\$37,936.00
NEVADA	\$2,899.00	\$2,348.00	\$3,475.00	\$268,881.00	\$1,036.00	\$4,330.00	\$1,410.00	\$16,158.00	\$300,537.00
NEWTON	\$133.00	\$26.00	\$4,862.00	\$79,006.00	\$346.00	\$1,827.00	\$917.00	\$6,263.00	\$93,380.00
OUACHITA	\$14,100.50	\$6,080.50	\$21,527.00	\$611,625.00	\$2,182.00	\$12,205.00	\$4,966.00	\$45,402.00	\$718,088.00
PERRY	\$738.00	\$417.00	\$3,912.00	\$115,987.00	\$602.00	\$4,039.00	\$1,539.00	\$15,428.00	\$142,662.00
PHILLIPS	\$10,057.50	\$5,726.00	\$7,078.00	\$245,169.00	\$2,710.00	\$19,936.00	\$4,249.00	\$78,943.00	\$373,868.50
PIKE	\$185.00	\$80.00	\$16,685.00	\$141,941.00	\$1,016.00	\$5,184.00	\$2,920.00	\$20,161.00	\$188,172.00
POINSETT	\$6,500.00	\$1,504.00	\$16,142.00	\$576,584.00	\$1,426.00	\$9,804.00	\$4,341.00	\$47,585.00	\$663,886.00
POLK	\$782.50	\$47.00	\$7,910.00	\$134,386.00	\$1,682.00	\$8,417.00	\$3,963.00	\$28,423.00	\$185,610.50
POPE	\$5,780.50	\$1,894.00	\$20,688.00	\$928,610.00	\$5,526.00	\$33,048.00	\$13,551.00	\$127,661.00	\$1,136,758.50
PRAIRIE	\$2,653.50	\$1,583.50	\$4,502.00	\$200,419.00	\$364.00	\$5,156.00	\$1,405.00	\$20,584.00	\$236,667.00
PULASKI	\$121,309.50	\$97,920.50	\$247,119.00	\$7,660,689.00	\$53,502.00	\$277,407.00	\$125,513.00	\$1,079,338.00	\$9,662,798.00
RANDOLPH	\$108.50	\$490.00	\$11,272.00	\$183,400.00	\$1,568.00	\$5,731.00	\$2,518.00	\$26,108.00	\$231,195.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
March 1 through March 31, 2019**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$17,968.00	\$10,842.00	\$4,863.00	\$428,893.00	\$2,204.00	\$12,316.00	\$4,012.00	\$52,082.00	\$533,180.00
SALINE	\$13,359.50	\$7,179.00	\$125,027.00	\$1,268,580.00	\$11,456.00	\$59,153.00	\$30,416.00	\$248,297.00	\$1,763,467.50
SCOTT	\$106.50	\$21.00	\$6,833.00	\$114,612.00	\$552.00	\$4,222.00	\$1,182.00	\$18,481.00	\$146,009.50
SEARCY	\$245.50	\$773.00	\$1,745.00	\$92,372.00	\$526.00	\$3,085.00	\$1,461.00	\$13,322.00	\$113,529.50
SEBASTIAN	\$14,008.00	\$5,151.50	\$19,087.00	\$957,015.00	\$10,614.00	\$61,328.00	\$26,093.00	\$269,156.00	\$1,362,452.50
SEVIER	\$2,404.50	\$719.50	\$1,436.00	\$145,722.00	\$944.00	\$5,649.00	\$1,450.00	\$19,940.00	\$178,265.00
SHARP	\$661.00	\$226.00	\$12,427.00	\$243,747.00	\$1,506.00	\$9,582.00	\$5,295.00	\$36,919.00	\$310,363.00
STONE	\$902.50	\$402.00	\$7,582.00	\$120,017.00	\$994.00	\$4,940.00	\$3,588.00	\$18,939.00	\$157,364.50
UNION	\$58,619.00	\$28,814.00	\$27,032.00	\$1,037,257.00	\$4,124.00	\$22,212.00	\$8,273.00	\$81,444.00	\$1,267,775.00
VAN BUREN	\$884.00	\$498.50	\$7,026.00	\$177,801.00	\$1,020.00	\$7,647.00	\$3,577.00	\$29,709.00	\$228,162.50
WASHINGTON	\$11,631.50	\$5,637.50	\$20,688.00	\$1,629,446.00	\$15,620.00	\$87,040.00	\$31,503.00	\$377,944.00	\$2,179,510.00
WHITE	\$6,326.00	\$3,630.50	\$53,978.00	\$1,174,596.00	\$5,790.00	\$35,739.00	\$16,218.00	\$141,594.00	\$1,437,871.50
WOODRUFF	\$3,253.00	\$2,047.50	\$1,706.00	\$135,321.00	\$686.00	\$3,032.00	\$1,473.00	\$12,931.00	\$160,449.50
YELL	\$894.50	\$1,119.00	\$12,664.00	\$299,797.00	\$1,130.00	\$7,589.00	\$4,984.00	\$30,127.00	\$358,304.50

GRAND TOTALS	*Cash 3	*Cash 4	*Fast Play	*Instant Settlements	*Lucky for Life	*Mega Millions	*Natural State Jackpot	*Powerball	*Total Sales
	\$709,136.00	\$403,877.00	\$1,395,107.00	\$40,909,859.00	\$269,040.00	\$1,509,241.00	\$648,048.00	\$6,130,306.00	\$51,974,614.00

*Estimates

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Total Number of Active Retailers
March 2019**

There were 1,922 active retailers as of March 31, 2019.

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Net Position
March 31, 2019

ASSETS

Current assets:	
Cash and cash equivalents	\$ 5,177,449.91
Restricted assets:	
Cash and cash equivalents	69,071,483.68
Accounts receivable	14,891,585.44
Prepaid items	41,940.40
Total current assets	<u>89,182,459.43</u>
Non-current assets:	
Restricted assets:	
Cash and cash equivalents	20,816,951.11
Deposits with Multi-State Lottery Association	2,596,320.14
Capital assets (Net of accumulated depreciation)	497,537.96
Total non-current assets	<u>23,910,809.21</u>
Total assets	113,093,268.64
Deferred outflows of resources:	
Related to pension	<u>1,671,766.67</u>
Total assets and deferred outflows of resources	<u>\$ 114,765,035.31</u>

LIABILITIES

Current liabilities:	
Accounts payable	\$ 511,636.15
Prizes payable	21,429,720.20
Accrued and other liabilities	2,855,352.72
Due to other funds of the State	412,252.77
Due to Education Trust Account	24,594,578.10
Due to Workforce Challenge Trust Account	38,099,665.97
Compensated absences	350,999.48
OPEB Obligation	105,120.06
Unearned revenue	311,414.48
Total current liabilities	<u>88,670,739.93</u>
Long-Term liabilities:	
Net other post employment benefits	3,495,545.99
Net pension liability	5,110,275.00
Total long-term liabilities	<u>8,605,820.99</u>
Total liabilities	97,276,560.92
Deferred inflows of resources:	
Related to pension	466,356.00
Related to OPEB	147,211.58
Total deferred inflows of resources	<u>613,567.58</u>
Total liabilities and deferred inflows of resources	<u>97,890,128.50</u>

NET POSITION

Net position:	
Invested in capital assets	497,537.96
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer fidelity reserve	202,801.05
Retailer bond reserve	714,150.06
Deposits with Multi-State Lottery Association	2,596,320.14
Unclaimed prizes reserve	6,277,239.61
Unrestricted (deficit)	<u>(13,413,142.01)</u>
Total net position	<u>16,874,906.81</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 114,765,035.31</u>

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues, Expenses and Change in Net Position
For Nine Months Ended March 31, 2019

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 40,808,476.00	\$ 306,377,561.00
Online ticket sales	11,109,660.50	85,760,312.50
Retailer application, fidelity, bond and service fees	70,244.17	575,146.87
Other revenue	<u>0.00</u>	<u>671.72</u>
 Total operating revenues	 <u>51,988,380.67</u>	 <u>392,713,692.09</u>
 Operating expenses:		
Instant game prizes	29,286,320.30	219,945,418.14
Online game prizes	5,857,619.64	45,134,644.71
Retailer commissions	2,914,959.93	22,066,170.13
Gaming contract costs	2,201,694.82	18,607,008.67
Compensation and benefits	405,423.32	3,772,550.59
Marketing, advertising and promotions	667,464.48	6,011,656.77
General and administrative expenses	787,246.41	4,292,297.73
Services provided by Arkansas Department of Higher Education	38,000.00	341,000.00
Services provided by Arkansas Legislative Audit	0.00	139,998.00
Legal and professional services	164.39	1,235.68
Depreciation	<u>10,456.32</u>	<u>88,980.30</u>
 Total operating expenses	 <u>42,169,349.61</u>	 <u>320,400,960.72</u>
 Operating income (1)	 9,819,031.06	 72,312,731.37
 Non-operating revenue:		
Interest income	<u>192,174.96</u>	<u>1,831,781.25</u>
 Income before transfers	 10,011,206.02	 74,144,512.62
 Transfers to:		
Education Trust Account (2)	<u>(8,552,307.04)</u>	<u>(68,356,380.78)</u>
 Change in net position	 <u>\$ 1,458,898.98</u>	 5,788,131.84
 Total net position - beginning		 11,086,774.97
Total net position - ending		<u>\$ 16,874,906.81</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 does not include unclaimed prizes.

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues and Expenses Budget Comparisons
For Nine Months Ended March 31, 2019

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating revenues:										
Instant games	\$ 40,808,476.00	78.50	\$ 39,873,000.00	84.26	\$ 935,476.00	\$ 306,377,561.00	78.02	\$ 298,165,000.00	82.48	\$ 8,212,561.00
Online games	11,109,660.50	21.37	7,388,000.00	15.61	3,721,660.50	85,760,312.50	21.84	62,722,000.00	17.35	23,038,312.50
Retailer fees	70,244.17	0.14	60,000.00	0.13	10,244.17	575,146.87	0.15	621,000.00	0.17	(45,853.13)
Other revenue	-	-	1,000.00	0.00	(1,000.00)	671.72	0.00	9,000.00	0.00	(8,328.28)
				0.00%						
Total operating revenues	<u>51,988,380.67</u>	100.00	<u>47,322,000.00</u>	100.00	<u>4,666,380.67</u>	<u>392,713,692.09</u>	100.00	<u>361,517,000.00</u>	100.00	<u>31,196,692.09</u>
Operating expenses:										
Instant game prizes	29,286,320.30	56.33	28,651,000.00	60.54	635,320.30	219,945,418.14	56.01	213,639,000.00	59.10	6,306,418.14
Online game prizes	5,857,619.64	11.27	3,971,000.00	8.39	1,886,619.64	45,134,644.71	11.49	33,647,000.00	9.31	11,487,644.71
Retailer commissions	2,914,959.93	5.61	2,666,000.00	5.63	248,959.93	22,066,170.13	5.62	20,330,000.00	5.62	1,736,170.13
Gaming contract costs	2,201,694.82	4.23	1,947,000.00	4.11	254,694.82	18,607,008.67	4.74	17,481,000.00	4.84	1,126,008.67
Compensation & benefits	405,423.32	0.78	475,000.00	1.00	(69,576.68)	3,772,550.59	0.96	4,078,000.00	1.13	(305,449.41)
Marketing, advertising & promotions	667,464.48	1.28	625,000.00	1.32	42,464.48	6,011,656.77	1.53	5,691,000.00	1.57	320,656.77
General and administrative expenses	787,246.41	1.51	415,000.00	0.88	372,246.41	4,292,297.73	1.09	3,399,000.00	0.94	893,297.73
Services provided by other agencies	38,000.00	0.07	38,000.00	0.08	-	480,998.00	0.12	471,000.00	0.13	9,998.00
Legal and professional service	164.39	0.00	500.00	0.00	(335.61)	1,235.68	0.00	4,500.00	0.00	(3,264.32)
Depreciation	10,456.32	0.02	20,000.00	0.04	(9,543.68)	88,980.30	0.02	147,000.00	0.04	(58,019.70)
Total operating expenses	<u>42,169,349.61</u>	81.11	<u>38,808,500.00</u>	82.01	<u>3,360,849.61</u>	<u>320,400,960.72</u>	81.59	<u>298,887,500.00</u>	82.68	<u>21,513,460.72</u>
Operating income	9,819,031.06	18.89	8,513,500.00	17.99	1,305,531.06	72,312,731.37	18.41	62,629,500.00	17.32	9,683,231.37
Non-operating revenue:										
Interest income	<u>192,174.96</u>	0.37	<u>97,000.00</u>	0.20	<u>95,174.96</u>	<u>1,831,781.25</u>	0.47	<u>1,035,000.00</u>	0.29	<u>796,781.25</u>
Income before transfers	<u>\$ 10,011,206.02</u>	19.26	<u>\$ 8,610,500.00</u>	18.20	<u>\$ 1,400,706.02</u>	<u>\$ 74,144,512.62</u>	18.88	<u>\$ 63,664,500.00</u>	17.61	<u>\$ 10,480,012.62</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, 2019**

	Year to date
Operating revenues:	
Instant ticket (Settlements)	\$ 305,276,623.00
Online ticket sales	85,760,312.50
Retailer application, fidelity and service fees	575,146.87
Other revenue	<u>671.72</u>
 Total operating revenues	 <u>391,612,754.09</u>

Operating expenses:	
Instant game prizes (Settlements)	218,707,910.00
Online game prizes	45,134,644.71
Retailer commissions	22,066,170.13
Gaming contract costs	18,607,008.67
Compensation and benefits	3,772,550.59
Marketing, advertising and promotions	6,011,656.77
General and administrative expenses	4,292,297.73
Services provided by ADHE	341,000.00
Services provided by Legislative Audit Agency	139,998.00
Legal and professional services	1,235.68
Current year capital asset cost	<u>241,423.53</u>
Total operating expenses	<u>319,315,895.81</u>
 Change in net proceeds from operations	 72,296,858.28

Non-operating revenue:	
Interest income	1,831,781.25
Other non-operating income	0.00
EDUCATION TRUST FUNDING-Current Year	(59,804,073.74)
Less Act 1180 Unclaimed Prizes	(5,277,239.61)
Less current year Fidelity Reserve Fees	(20,286.92) restricted reserves
Less current year Bond Reserve Fees	(140,065.00) restricted reserves
Add back Write Off Retailer Bad Debt	9,080.60
Less current year MUSL Reserves	(430,747.82) see 23-115-103(17) and (19)(A)&(B)
Add OPEB expense in Comp and Benefits	<u>87,000.00</u>
 NET PROCEEDS EARNED-Current Month	 <u>\$ 8,552,307.04</u>

	Transfer	Interest	Total
Academic Challenge Scholarship Trust			
	\$ 22,394,849.51	\$ 2,199,728.59	\$ 24,594,578.10
July 2018 funding - 8/15/18	\$ 4,998,834.07	\$ 67,794.66	\$ 5,066,628.73
Aug 2018 funding - 9/15/18	\$ 6,094,406.73	\$ 81,591.67	\$ 6,175,998.40
Sept 2018 funding - 10/15/18	\$ 7,699,685.71	\$ 83,765.11	\$ 7,783,450.82
Transfer from ADHE (final 2018 Adj) -10/10/18	\$ (146,112.01)	\$ -	\$ (146,112.01)
Transfer to ADHE 10/10/18	\$ (35,000,000.00)	\$ -	\$ (35,000,000.00)
Transfer excess net proceeds to Workforce Trust Fund 10/16/18	\$ (8,344,929.36)	\$ -	\$ (8,344,929.36)
Oct 2018 funding - 11/15/18	\$ 11,195,441.29	\$ 63,599.02	\$ 11,259,040.31
Transfer to ADHE 11/30/18	\$ (3,000,000.00)	\$ -	\$ (3,000,000.00)
Nov 2018 funding - 12/15/18	\$ 6,774,214.21	\$ 47,196.80	\$ 6,821,411.01
Dec 2018 funding - 1/15/19	\$ 6,589,040.01	\$ 61,751.53	\$ 6,650,791.54
Jan 2019 funding - 2/15/19	\$ 7,767,558.59	\$ 80,937.03	\$ 7,848,495.62
Transfer to ADHE 2/19/18	\$ (37,000,000.00)	\$ -	\$ (37,000,000.00)
Feb 2019 funding - 3/15/19	\$ 8,147,140.24	\$ 51,117.07	\$ 8,198,257.31
Mar 2019 funding - 4/15/19	\$ 8,521,509.06	\$ 30,797.98	\$ 8,552,307.04
Workforce Challenge Scholarship Trust			
	\$ 38,099,665.97	\$ -	\$ 38,099,665.97
FY 2017 Excess Net Proceeds transferred from Edu Trust 12/1/17	\$ 14,157,060.23	\$ -	\$ 14,157,060.23
ADHE Refund from FY 2017 - 11/30/17	\$ 4,887,236.92	\$ -	\$ 4,887,236.92
ADHE Refund from FY 2018 - 9/6/18	\$ 11,710,439.46	\$ -	\$ 11,710,439.46
Transfer excess net proceeds to Workforce Trust Fund 10/16/18	\$ 8,344,929.36	\$ -	\$ 8,344,929.36
Transfer to ADHE for 2018 fall funding 11/7/18	\$ (1,000,000.00)	\$ -	\$ (1,000,000.00)

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Unclaimed Prizes
March 31, 2019

	Monthly	Year to Date
Reserve Balance July 1, 2018		\$1,000,000.00
1. Unclaimed lottery prize money:	\$778,350.70	5,277,239.61
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	778,350.70	5,277,239.61
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
 Reserve Balance March 31, 2019		 \$6,277,239.61

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY**

**OFFICE OF THE ARKANSAS LOTTERY MINORITY AND FEMALE OWNED DIVERSITY COMPLIANCE REPORT
March 1 through March 31, 2019**

Vendors	Goods or Services	Diversity Classification	March 2019	FY 2019 Total
A-Absolute Moving & Hauling	Moving/Hauling	CMBE		\$308.33
Allegra Print & Imaging	Advertising/Public Relations	FOB		\$5,074.77
Goddess Products	Office Furniture/Supplies	CMBE	\$684.83	\$2,606.20
Government Supply Services	Office Furniture/Supplies	MBE	\$2,862.66	\$9,779.13
Party Prints	Advertising/Public Relations	CMBE		\$1,798.50
Trivia Marketing	Advertising/Public Relations	WBE		\$11,990.00
Totals			\$3,547.49	\$31,556.93

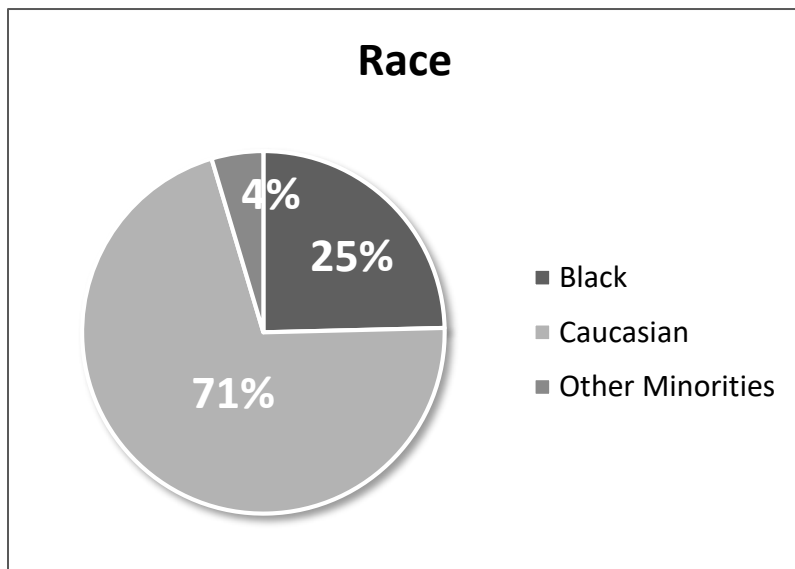
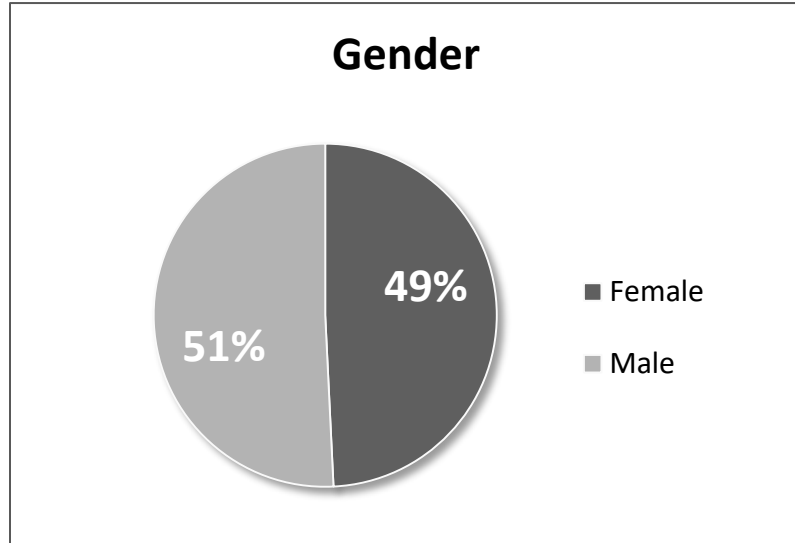
**INTRALOT MINORITY AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
March 1 through March 31, 2019**

Vendors	Goods or Services	Diversity Classification	March 2019	FY 2019 Total
J Kelly Referrals and Information Services	Call Center/Information Services	CMBE	\$8,462.00	\$84,620.00
Totals			\$8,462.00	\$84,620.00

**SCIENTIFIC GAMES MINORITY AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
March 1 through March 31, 2019**

Vendors	Goods or Services	Diversity Classification	March 2019	FY 2019 Total
Expedited Transportation Services	Transportation Services	DBE	\$1,723.50	\$31,687.70
Ingage, LLC	Fulfillment Services and Prizes	WBE	\$52,066.75	\$562,535.58
Premier Staffing	Employment Agency	MBE		\$6,198.69
Pure Cleaning Services	Janitorial Services	MBE	\$872.00	\$4,796.00
Totals			\$54,662.25	\$605,217.97

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Demographics – March 2019**



Total Number of Employees as of March 2019: 65

Gender:

Females – 32
Males – 33

Race:

Black – 16
Caucasian – 46
Other – 3

Female -- 10	Male - 6
Female -- 22	Male -- 24
Female -- 0	Male -- 3

**Department of Finance and Administration
Office of the Arkansas Lottery – Internal Audit
March 1 through March 31, 2019**

No issues or problems resulting from internal audits have been reported for the reporting period.

DFA/Office of the Arkansas Lottery
Instant & Fast Play Games
March 2019

Sales for the following instant games began March 5, 2019. No ending dates have been determined for these games.

\$1 10X Payout
\$2 20X Payout
\$5 50X Payout
\$10 100X Payout
\$20 200X Payout

Sales for the following Fast Play games began March 4, 2019. No ending dates have been determined for these games.

\$1 Tic Tac Toe
\$2 Hot Dice