



STATE OF ARKANSAS
ARKANSAS LOTTERY COMMISSION

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

March 11, 2013

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

RE: Monthly Disclosure Reports

Dear Governor Beebe:

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

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

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

Respectfully submitted,

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

Bishop Woosley
Director

Enclosures

cc: Mr. Ben Pickard, Chairman, Arkansas Lottery Commission



STATE OF ARKANSAS
ARKANSAS LOTTERY COMMISSION

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

March 11, 2013

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

RE: Monthly Disclosure Reports

Gentlemen:

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

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

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

Respectfully submitted,

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

Bishop Woosley
Director

Enclosures

cc: Mr. Ben Pickard, Chairman, Arkansas Lottery Commission

Arkansas Lottery Commission Term Contracts for Goods and Services February 1 through February 28, 2013

1. On February 4, 2013, the Arkansas Lottery Commission (“ALC”) and Advent Systems, Inc. entered into a Security Equipment Service Agreement for service to ALC’s Claim Centers. These Claim Centers are located in Little Rock, Camden, Jonesboro and Springdale. The agreement is for a period of six (6) months, from January 1, 2013, through June 30, 2013. Service includes: (1) Scheduled Maintenance Visits; (2) Software Maintenance; (3) Hardware Repair Service; (4) Instant Loaner; (5) On-Call Telephone Support; (6) Emergency Services; (7) Service Calls; and (8) Off-Hour Support. The total amount for the six-month period is \$19,486.00.

2. On February 22, 2013, ALC entered into a Non-Exclusive Licensing Agreement with Scientific Games International to allow ALC to reproduce, use and make copies of “American Muscle®” licensed property. A copy of the agreement was provided to the Arkansas Lottery Commission Legislative Oversight Committee on February 28, 2013.

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

1. Debt Set-Off:

a.	Department of Finance and Administration	\$ 12,188.64
b.	Office of Child Support Enforcement - Child Support	<u>\$ 10,350.00</u>
	Total Debt Set-Off:	\$22,538.64

2. Retailer losses for period February 1 through February 28, 2013: None.

ARKANSAS LOTTERY COMMISSION
RETAIL SALES BY COUNTY
February 1 through February 28, 2013

COUNTY	ARKANSAS 50/50	CASH 3	CASH 4	DECADES OF DOLLARS	FAST PLAY	INSTANT SETTLEMENTS	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$90.00	\$7,063.50	\$6,843.00	\$2,146.00	\$2,721.00	\$613,435.00	\$8,808.00	\$8,538.00	\$29,074.00	\$678,718.50
ASHLEY	\$60.00	\$10,744.00	\$10,273.00	\$1,068.00	\$1,549.00	\$175,500.00	\$4,534.00	\$2,578.00	\$17,448.00	\$223,754.00
BAXTER	\$200.00	\$1,543.50	\$1,127.00	\$3,706.00	\$2,974.00	\$332,605.00	\$12,103.00	\$9,869.00	\$35,888.00	\$400,015.50
BENTON	\$545.00	\$4,236.00	\$1,854.50	\$8,562.00	\$2,252.00	\$792,841.00	\$37,839.00	\$13,137.00	\$140,692.00	\$1,001,958.50
BOONE	\$270.00	\$2,146.00	\$1,493.50	\$1,494.00	\$1,217.00	\$393,000.00	\$8,353.00	\$4,016.00	\$29,252.00	\$441,241.50
BRADLEY	\$290.00	\$914.00	\$411.50	\$806.00	\$494.00	\$205,200.00	\$2,384.00	\$2,034.00	\$8,303.00	\$220,836.50
CALHOUN	\$5.00	\$1,078.00	\$530.50	\$546.00	\$77.00	\$56,700.00	\$999.00	\$701.00	\$3,107.00	\$63,743.50
CARROLL	\$145.00	\$603.00	\$698.00	\$1,014.00	\$175.00	\$261,300.00	\$5,188.00	\$2,956.00	\$19,490.00	\$291,569.00
CHICOT	\$135.00	\$4,894.50	\$3,645.00	\$2,230.00	\$1,158.00	\$216,000.00	\$15,317.00	\$4,619.00	\$48,919.00	\$296,917.50
CLARK	\$85.00	\$4,295.50	\$1,660.50	\$1,404.00	\$1,415.00	\$338,400.00	\$6,118.00	\$3,974.00	\$22,566.00	\$379,918.00
CLAY	\$15.00	\$260.00	\$89.00	\$596.00	\$345.00	\$100,990.00	\$1,419.00	\$736.00	\$5,097.00	\$109,547.00
CLEBURNE	\$65.00	\$1,210.50	\$342.00	\$2,806.00	\$1,225.00	\$350,700.00	\$10,469.00	\$8,503.00	\$30,991.00	\$406,311.50
CLEVELAND	\$15.00	\$262.00	\$178.00	\$308.00	\$222.00	\$50,100.00	\$1,344.00	\$842.00	\$5,514.00	\$58,785.00
COLUMBIA	\$40.00	\$11,197.50	\$6,083.00	\$1,242.00	\$1,364.00	\$272,700.00	\$4,044.00	\$3,556.00	\$14,370.00	\$314,596.50
CONWAY	\$165.00	\$5,982.50	\$2,080.50	\$2,262.00	\$1,757.00	\$406,700.00	\$8,892.00	\$5,975.00	\$29,493.00	\$463,307.00
CRAIGHEAD	\$365.00	\$7,946.00	\$4,221.50	\$4,426.00	\$2,710.00	\$1,319,801.00	\$20,336.00	\$13,349.00	\$82,215.00	\$1,455,369.50
CRAWFORD	\$185.00	\$2,074.50	\$603.50	\$2,672.00	\$1,350.00	\$400,500.00	\$15,895.00	\$9,981.00	\$56,398.00	\$489,659.00
CRITTENDEN	\$285.00	\$13,247.50	\$11,771.00	\$4,126.00	\$1,207.00	\$545,100.00	\$20,749.00	\$8,188.00	\$78,490.00	\$683,163.50
CROSS	\$60.00	\$1,855.50	\$1,876.50	\$856.00	\$857.00	\$256,200.00	\$4,251.00	\$2,755.00	\$14,291.00	\$283,002.00
DALLAS	\$25.00	\$1,656.00	\$795.00	\$588.00	\$816.00	\$157,200.00	\$3,201.00	\$1,934.00	\$9,427.00	\$175,642.00
DESHA	\$70.00	\$1,430.50	\$611.00	\$990.00	\$347.00	\$184,200.00	\$4,653.00	\$3,433.00	\$17,592.00	\$213,326.50
DREW	\$80.00	\$1,062.50	\$682.50	\$1,292.00	\$784.00	\$232,200.00	\$4,529.00	\$2,700.00	\$17,699.00	\$261,029.00
FAULKNER	\$800.00	\$9,375.50	\$4,496.50	\$7,644.00	\$3,077.00	\$1,278,234.00	\$34,668.00	\$19,366.00	\$111,850.00	\$1,469,511.00
FRANKLIN	\$150.00	\$727.50	\$182.00	\$1,370.00	\$2,689.00	\$163,800.00	\$5,041.00	\$2,935.00	\$17,807.00	\$194,701.50
FULTON	\$5.00	\$224.50	\$120.00	\$238.00	\$121.00	\$51,900.00	\$1,539.00	\$979.00	\$5,432.00	\$60,558.50
GARLAND	\$830.00	\$6,906.50	\$3,154.50	\$10,726.00	\$4,640.00	\$895,774.00	\$40,068.00	\$28,328.00	\$130,580.00	\$1,121,007.00
GRANT	\$40.00	\$553.50	\$182.50	\$1,088.00	\$385.00	\$178,395.00	\$5,837.00	\$3,432.00	\$16,819.00	\$206,732.00
GREENE	\$290.00	\$1,432.00	\$753.50	\$1,602.00	\$943.00	\$629,724.00	\$9,718.00	\$5,895.00	\$34,824.00	\$685,181.50
HEMPSTEAD	\$80.00	\$26,473.00	\$10,229.50	\$916.00	\$1,930.00	\$419,700.00	\$6,230.00	\$3,508.00	\$18,069.00	\$487,135.50
HOT SPRING	\$125.00	\$1,663.00	\$713.50	\$1,984.00	\$449.00	\$366,134.00	\$8,806.00	\$7,145.00	\$27,339.00	\$414,358.50

ARKANSAS LOTTERY COMMISSION
RETAIL SALES BY COUNTY
February 1 through February 28, 2013

COUNTY	ARKANSAS 50/50	CASH 3	CASH 4	DECADES OF DOLLARS	FAST PLAY	INSTANT SETTLEMENTS	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$90.00	\$17,551.00	\$5,951.50	\$738.00	\$820.00	\$190,800.00	\$4,006.00	\$1,979.00	\$11,425.00	\$233,360.50
INDEPENDENCE	\$385.00	\$3,779.50	\$1,805.00	\$3,086.00	\$3,039.00	\$796,952.00	\$12,395.00	\$9,884.00	\$39,223.00	\$870,548.50
IZARD	\$25.00	\$495.00	\$183.50	\$726.00	\$576.00	\$63,633.00	\$3,022.00	\$1,932.00	\$8,220.00	\$78,812.50
JACKSON	\$100.00	\$8,994.00	\$6,474.00	\$2,374.00	\$2,046.00	\$385,500.00	\$7,573.00	\$6,822.00	\$23,495.00	\$443,378.00
JEFFERSON	\$540.00	\$32,955.50	\$23,156.00	\$8,758.00	\$3,442.00	\$1,598,174.00	\$31,930.00	\$33,471.00	\$102,631.00	\$1,835,057.50
JOHNSON	\$205.00	\$459.00	\$605.50	\$1,080.00	\$640.00	\$224,916.00	\$6,474.00	\$3,555.00	\$20,100.00	\$258,034.50
LAFAYETTE	\$5.00	\$3,089.50	\$1,363.50	\$372.00	\$1,097.00	\$70,500.00	\$1,251.00	\$860.00	\$4,109.00	\$82,647.00
LAWRENCE	\$115.00	\$1,129.50	\$289.50	\$764.00	\$611.00	\$261,145.00	\$2,632.00	\$1,656.00	\$9,495.00	\$277,837.00
LEE	\$35.00	\$2,824.00	\$1,954.50	\$250.00	\$94.00	\$131,100.00	\$1,343.00	\$601.00	\$4,947.00	\$143,148.50
LINCOLN	\$30.00	\$743.00	\$200.50	\$334.00	\$161.00	\$103,500.00	\$2,172.00	\$2,338.00	\$8,211.00	\$117,689.50
LITTLE RIVER	\$15.00	\$4,118.00	\$1,846.00	\$546.00	\$809.00	\$108,600.00	\$2,328.00	\$1,433.00	\$7,524.00	\$127,219.00
LOGAN	\$85.00	\$837.00	\$145.50	\$1,196.00	\$864.00	\$246,169.00	\$5,988.00	\$4,134.00	\$18,859.00	\$278,277.50
LONOKE	\$430.00	\$6,831.50	\$3,199.00	\$6,196.00	\$3,029.00	\$1,151,455.00	\$26,184.00	\$15,308.00	\$87,695.00	\$1,300,327.50
MADISON	\$40.00	\$78.00	\$28.50	\$410.00	\$1,058.00	\$46,200.00	\$2,334.00	\$1,386.00	\$6,368.00	\$57,902.50
MARION	\$55.00	\$1,221.00	\$542.00	\$1,414.00	\$712.00	\$150,300.00	\$4,141.00	\$3,831.00	\$14,657.00	\$176,873.00
MILLER	\$150.00	\$23,375.00	\$7,890.00	\$1,660.00	\$893.00	\$502,945.00	\$9,133.00	\$4,215.00	\$24,489.00	\$574,750.00
MISSISSIPPI	\$320.00	\$36,145.00	\$16,088.00	\$2,090.00	\$2,091.00	\$606,244.00	\$8,673.00	\$4,796.00	\$32,713.00	\$709,160.00
MONROE	\$35.00	\$3,515.50	\$1,412.50	\$606.00	\$210.00	\$141,925.00	\$4,021.00	\$2,073.00	\$13,943.00	\$167,741.00
MONTGOMERY	\$0.00	\$6.00	\$5.00	\$192.00	\$235.00	\$16,800.00	\$1,165.00	\$682.00	\$3,918.00	\$23,003.00
NEVADA	\$45.00	\$2,609.50	\$552.50	\$846.00	\$683.00	\$260,700.00	\$3,190.00	\$2,205.00	\$11,498.00	\$282,329.00
NEWTON	\$5.00	\$58.50	\$28.00	\$222.00	\$218.00	\$48,300.00	\$917.00	\$682.00	\$3,239.00	\$53,669.50
OUACHITA	\$150.00	\$8,174.50	\$5,223.50	\$1,752.00	\$5,615.00	\$522,538.00	\$7,268.00	\$6,343.00	\$25,442.00	\$582,506.00
PERRY	\$35.00	\$482.50	\$167.50	\$520.00	\$139.00	\$72,000.00	\$2,948.00	\$1,745.00	\$8,066.00	\$86,103.00
PHILLIPS	\$95.00	\$7,108.50	\$4,018.00	\$1,032.00	\$183.00	\$238,500.00	\$8,820.00	\$2,278.00	\$26,747.00	\$288,781.50
PIKE	\$220.00	\$144.00	\$39.00	\$502.00	\$956.00	\$95,400.00	\$3,321.00	\$2,377.00	\$9,816.00	\$112,775.00
POINSETT	\$130.00	\$4,492.00	\$1,332.00	\$906.00	\$2,589.00	\$509,227.00	\$5,444.00	\$4,852.00	\$23,056.00	\$552,028.00
POLK	\$75.00	\$582.50	\$45.00	\$1,194.00	\$1,105.00	\$129,900.00	\$5,275.00	\$3,053.00	\$16,659.00	\$157,888.50
POPE	\$365.00	\$4,530.50	\$2,000.00	\$5,152.00	\$4,675.00	\$846,300.00	\$20,136.00	\$13,233.00	\$68,623.00	\$965,014.50
PRAIRIE	\$60.00	\$2,548.50	\$593.00	\$758.00	\$424.00	\$193,364.00	\$3,318.00	\$2,287.00	\$12,701.00	\$216,053.50
PULASKI	\$2,610.00	\$87,258.00	\$61,926.00	\$45,294.00	\$19,842.00	\$6,494,631.00	\$171,097.00	\$117,514.00	\$544,283.00	\$7,544,455.00
RANDOLPH	\$45.00	\$110.50	\$111.50	\$1,056.00	\$401.00	\$165,900.00	\$2,520.00	\$2,121.00	\$10,673.00	\$182,938.00

ARKANSAS LOTTERY COMMISSION
RETAIL SALES BY COUNTY
February 1 through February 28, 2013

COUNTY	ARKANSAS 50/50	CASH 3	CASH 4	DECADES OF DOLLARS	FAST PLAY	INSTANT SETTLEMENTS	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$55.00	\$7,264.50	\$5,202.50	\$894.00	\$395.00	\$280,151.00	\$6,681.00	\$3,587.00	\$23,951.00	\$328,181.00
SALINE	\$605.00	\$8,978.00	\$3,066.50	\$9,424.00	\$5,726.00	\$1,275,919.00	\$37,123.00	\$22,539.00	\$122,022.00	\$1,485,402.50
SCOTT	\$65.00	\$271.00	\$43.00	\$252.00	\$481.00	\$127,800.00	\$2,549.00	\$1,556.00	\$8,616.00	\$141,633.00
SEARCY	\$30.00	\$549.00	\$250.00	\$492.00	\$997.00	\$102,600.00	\$2,057.00	\$1,167.00	\$6,404.00	\$114,546.00
SEBASTIAN	\$670.00	\$15,301.00	\$3,131.50	\$6,724.00	\$3,565.00	\$796,361.00	\$38,194.00	\$22,464.00	\$125,023.00	\$1,011,433.50
SEVIER	\$20.00	\$4,601.50	\$660.50	\$558.00	\$1,176.00	\$147,300.00	\$3,951.00	\$1,719.00	\$12,279.00	\$172,265.00
SHARP	\$175.00	\$1,153.50	\$387.00	\$1,050.00	\$336.00	\$205,500.00	\$4,897.00	\$2,831.00	\$13,408.00	\$229,737.50
STONE	\$90.00	\$1,259.50	\$286.50	\$826.00	\$207.00	\$99,787.00	\$2,934.00	\$2,620.00	\$9,313.00	\$117,323.00
UNION	\$280.00	\$38,827.00	\$20,882.00	\$2,722.00	\$3,065.00	\$750,600.00	\$11,929.00	\$6,023.00	\$41,595.00	\$875,923.00
VAN BUREN	\$60.00	\$1,322.00	\$451.50	\$920.00	\$171.00	\$157,800.00	\$4,703.00	\$2,658.00	\$15,873.00	\$183,958.50
WASHINGTON	\$725.00	\$11,143.00	\$3,874.00	\$10,246.00	\$5,295.00	\$1,440,742.00	\$51,233.00	\$20,363.00	\$172,442.00	\$1,716,063.00
WHITE	\$395.00	\$4,806.50	\$3,150.00	\$4,100.00	\$2,502.00	\$1,352,618.00	\$19,306.00	\$14,183.00	\$68,892.00	\$1,469,952.50
WOODRUFF	\$40.00	\$2,619.00	\$417.50	\$312.00	\$211.00	\$137,018.00	\$2,057.00	\$1,844.00	\$7,750.00	\$152,268.50
YELL	\$70.00	\$527.50	\$102.50	\$1,200.00	\$903.00	\$216,527.00	\$5,395.00	\$3,248.00	\$16,277.00	\$244,250.00

GRAND TOTALS	*Arkansas 50/50	*Cash 3	*Cash 4	*Decades of Dollars	*Fast Play	*Instant	*Mega Millions	*Natural State Jackpot	*Powerball	*Totals
	\$15,290.00	\$497,928.00	\$268,783.00	\$202,454.00	\$125,537.00	\$35,109,374.00	\$877,360.00	\$552,410.00	\$2,925,706.00	\$40,574,842.00

*Estimates

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

There were 1,871 active retailers as of February 28, 2013.

Arkansas Lottery Commission
Statement of Net Position
February 28, 2013

ASSETS

Current assets:

Cash and Cash Equivalents	\$ 3,678,152.19
Restricted Assets:	
Cash and cash equivalents	11,470,836.85
Accounts receivable	11,752,887.40
Prepaid items	<u>41,600.12</u>
 Total current assets	 <u>26,943,476.56</u>

Noncurrent assets:

Restricted assets:	
Cash and cash equivalents	20,068,138.21
Deposits with Multi-State Lottery Asso.	1,709,067.44
Capital assets:	
Equipment	526,664.88
Leasehold Improvements	498,416.68
Less accumulated depreciation	<u>(605,990.48)</u>
 Total noncurrent assets	 <u>22,196,296.73</u>
 Total assets	 <u>\$ 49,139,773.29</u>

LIABILITIES

Current liabilities:

Accounts payable	\$ 471,696.67
Prizes payable	16,239,897.75
Accrued and other liabilities	1,375,259.98
Due to other funds	906,429.30
Due to ADHE	6,819,838.23
Compensated absences	<u>254,501.25</u>
 Total current liabilities	 <u>26,067,623.18</u>

Long-Term liabilities:

Net OPEB Obligation	<u>727,279.68</u>
 Total liabilities	 <u>26,794,902.86</u>

Deferred inflows:

Deferred revenue	<u>350,266.48</u>
------------------	-------------------

NET POSITION

Net position:

Invested in capital assets	419,091.08
Restricted:	
Scholarship shortfall fund	20,000,000.00
Retailer fidelity fund	68,138.21
Deposits with Multi-State Lottery Asso.	1,709,067.44
Unclaimed Prize Fund	4,650,998.62
Unrestricted	<u>(4,852,691.40)</u>
 Total net position	 <u>21,994,603.95</u>
 Total liabilities, deferred inflows & net position	 <u>\$ 49,139,773.29</u>

Arkansas Lottery Commission
Statement of Revenue, Expenses, and Changes in Net Position
For the Eight Months Ended February 28, 2013

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 36,360,970.00	\$ 228,236,898.00
Online ticket sales	5,484,610.50	51,968,312.00
Retailer application, fidelity and service fees	40,561.84	373,904.41
Other revenue	<u>723.00</u>	<u>2,935.59</u>
 Total operating revenues	 <u>41,886,865.34</u>	 <u>280,582,050.00</u>
 Operating expenses:		
Instant game prizes	26,417,039.92	159,536,191.31
Online game prizes	2,640,008.79	25,405,336.21
Retailer commissions	2,366,184.07	15,684,374.79
Gaming contract costs	2,170,509.37	14,068,372.30
Compensation and benefits	461,564.86	3,692,040.28
Marketing, advertising and promotions	301,012.11	2,361,009.25
General and administrative expenses	96,337.85	903,814.14
Services provided by ADHE	110,000.00	880,000.00
Services provided by Legislative Audit Agency		138,880.00
Legal and professional services	658.98	15,156.95
Depreciation	<u>15,179.89</u>	<u>121,439.12</u>
 Total operating expenses	 <u>34,578,495.84</u>	 <u>222,806,614.35</u>
 Operating income	 7,308,369.50	 57,775,435.65
 Nonoperating revenue (expense):		
Interest income	14,782.97	227,640.52
Other Non Operating Income		
 Income before transfers	 <u>7,323,152.47</u>	 <u>58,003,076.17</u>
 Transfers to:		
Trust Account for ADHE	(6,447,118.77)	(53,507,878.36)
Arkansas Department of Human Services		(200,000.00)
 Transfers from:		
Transfers from ADHE		<u>0.00</u>
 Change in net position	 <u>\$ 876,033.70</u>	 <u>4,295,197.81</u>
 Total net position - beginning		 <u>17,699,406.14</u>
Total net position - ending		<u>\$ 21,994,603.95</u>

Arkansas Lottery Commission
Statement of Revenue, Expenses, and Changes in Net Position
For the Eight Months Ended February 28, 2013

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating Revenues										
Instant Games	\$36,360,970.00	86.81	\$35,963,200.00	83.85	\$ 397,770.00	\$228,236,898.00	81.34	\$ 253,248,000.00	82.12	\$ (25,011,102.00)
OnLine Games	5,484,610.50	13.09	6,880,800.00	16.04	(1,396,189.50)	51,968,312.00	18.52	54,775,300.00	17.76	(2,806,988.00)
Retailer application, fidelity	40,561.84	0.10	44,100.00	0.10	(3,538.16)	373,904.41	0.13	352,500.00	0.11	21,404.41
Other Revenue	<u>723.00</u>	0.00	<u>400.00</u>	0.00	<u>323.00</u>	<u>2,935.59</u>	0.00	<u>3,300.00</u>	0.00	<u>(364.41)</u>
Total Operating Revenues	<u>41,886,865.34</u>	100.00	<u>42,888,500.00</u>	100.00	<u>(1,001,634.66)</u>	<u>280,582,050.00</u>	100.00	<u>308,379,100.00</u>	100.00	<u>(27,797,050.00)</u>
Operating Expenses										
Instant Game Prizes	26,417,039.92	63.07	24,912,294.87	58.09	1,504,745.05	159,536,191.31	56.86	175,418,148.81	56.88	(15,881,957.50)
On-Line Game Prizes	2,640,008.79	6.30	3,472,705.13	8.10	(832,696.34)	25,405,336.21	9.05	27,580,951.19	8.94	(2,175,614.98)
Retailer Commissions	2,366,184.07	5.65	2,425,500.00	5.66	(59,315.93)	15,684,374.79	5.59	17,404,600.00	5.64	(1,720,225.21)
Gaming Contract Costs	2,170,509.37	5.18	2,134,500.00	4.98	36,009.37	14,068,372.30	5.01	15,871,800.00	5.15	(1,803,427.70)
Staff Compensation & Benefits	461,564.86	1.10	449,283.00	1.05	12,281.86	3,692,040.28	1.32	3,873,835.00	1.26	(181,794.72)
Marketing, Advertising & Promo	301,012.11	0.72	348,897.00	0.81	(47,884.89)	2,361,009.25	0.84	2,683,449.00	0.87	(322,439.75)
General and administrative ex	96,337.85	0.23	106,900.00	0.25	(10,562.15)	903,814.14	0.32	870,940.00	0.28	32,874.14
Services Provided by Other Age	110,000.00	0.26	129,100.00	0.30	(19,100.00)	1,018,880.00	0.36	1,033,300.00	0.34	(14,420.00)
Legal and Professional Service	658.98	0.00	7,900.00	0.02	(7,241.02)	15,156.95	0.01	63,300.00	0.02	(48,143.05)
Capital asset depreciation	<u>15,179.89</u>	0.04	<u>16,667.00</u>	0.04	<u>(1,487.11)</u>	<u>121,439.12</u>	0.04	<u>133,334.00</u>	0.04	<u>(11,894.88)</u>
Total Operating Expenses	<u>34,578,495.84</u>	82.55	<u>34,003,747.00</u>	79.28	<u>574,748.84</u>	<u>222,806,614.35</u>	79.41	<u>244,933,658.00</u>	79.43	<u>(22,127,043.65)</u>
Operating Income	7,308,369.50	17.45	8,884,753.00	20.72	(1,576,383.50)	57,775,435.65	20.59	63,445,442.00	20.57	(5,670,006.35)
Non-Operating Revenue (Expense)										
Interest Income	<u>14,782.97</u>	0.04	<u>26,700.00</u>	0.06	<u>(11,917.03)</u>	<u>227,640.52</u>	0.08	<u>213,300.00</u>	0.07	<u>14,340.52</u>
Income before transfers	<u>\$ 7,323,152.47</u>	17.48	<u>\$ 8,911,453.00</u>	20.78	<u>\$(1,588,300.53)</u>	<u>\$ 58,003,076.17</u>	20.67	<u>\$63,658,742.00</u>	20.64	<u>\$ (5,655,665.83)</u>

Arkansas Scholarship Commission
Net Proceeds Transfer to Ed Trust Computation
Modified Cash Basis
For the Eight Months Ended February 28, 2013

	Year to date
Operating revenues:	
Instant ticket SETTLEMENTS	\$ 227,089,522.00
Online ticket sales	51,968,312.00
A/R write-offs	
Retailer application, fidelity and service fees	373,904.41
Other revenue	<u>2,935.59</u>
 Total operating revenues	 <u>279,434,674.00</u>
 Operating expenses:	
Instant game prizes SETTLEMENTS	159,110,286.01
Online game prizes	25,405,336.21
Retailer commissions	15,684,374.79
Gaming contract costs	14,068,372.30
Compensation and benefits	3,692,040.28
Marketing, advertising and promotions	2,361,009.25
General and administrative expenses	903,814.14
Services provided by ADHE	880,000.00
Services provided by Legislative Audit Agency	138,880.00
Legal and professional services	15,156.95
Current year Capital Asset cost	<u>0.00</u>
Total operating expenses	<u>222,259,269.93</u>
 Change in net proceeds from operations	 57,175,404.07
 Nonoperating revenue (expense):	
Interest Income	227,640.52
Other Non Operating Income	
EDUCATION TRUST FUNDING-Current Year	(47,060,759.59)
Less Act 1180 Unclaimed Prizes	(3,650,998.62)
Less Transfer to ADHS	(200,000.00)
Less Current year Fidelity Fund fees	(18,905.94) restricted fund
Less Current year MUSL Reserves additions	(25,261.67) see 23-115-103(17) and (19)(A)&(B)

NET PROCEEDS EARNED-Current Month

\$ 6,447,118.77

	Transfer	Interest	Total
Totals	\$ 61,078,413.00	\$ 741,425.23	\$ 6,819,838.23
July 2011 funding - 8/12/11	\$ 7,124,686.65	\$ 28,216.33	\$ 7,152,902.98
ADHE Refund for excess funding 8/1/11	\$ 12,430,211.12		\$ 12,430,211.12
June 2011 Audit Adjustments funding - 8/3/11	\$ 60,972.09		\$ 60,972.09
August transfer to ADHE 8/4/11	\$ (60,000,000.00)		\$ (60,000,000.00)
August 2011 funding - 9/14/11	\$ 7,531,880.34	\$ 11,673.25	\$ 7,543,553.59
September 2011 funding - 10/14/11	\$ 6,961,428.55	\$ 11,751.16	\$ 6,973,179.71
October transfer to ADHE 10/13/11	\$ (10,000,000.00)		\$ (10,000,000.00)
June 2011 Audit Adjustments funding - 11/15/11	\$ (102,990.22)		\$ (102,990.22)
October 2011 funding - 11/15/11	\$ 8,121,007.71	\$ 12,698.12	\$ 8,133,705.83
November 2011 funding - 12/15/11	\$ 7,980,208.54	\$ 13,917.97	\$ 7,994,126.51
December 2011 funding - 01/15/12	\$ 7,870,103.23	\$ 18,175.91	\$ 7,888,279.14
January 2012 funding - 02/15/12	\$ 5,500,806.07	\$ 21,940.75	\$ 5,522,746.82
February transfer to ADHE 2/2/12	\$ (45,000,000.00)		\$ (45,000,000.00)
February 2012 funding - 03/15/12	\$ 9,724,929.68	\$ 4,663.90	\$ 9,729,593.58
March 2012 funding - 04/15/12	\$ 12,820,077.29	\$ 7,295.76	\$ 12,827,373.05
April 2012 funding - 05/15/12	\$ 7,053,021.89	\$ 13,165.87	\$ 7,066,187.76
May 2012 funding - 06/15/12	\$ 7,553,944.47	\$ 17,709.57	\$ 7,571,654.04
June 2012 funding - 7/15/12	\$ 9,158,895.89	\$ 20,328.76	\$ 9,179,224.65
July 2012 funding - 8/15/12	\$ 4,727,442.68	\$ 25,058.83	\$ 4,752,501.51
ADHE Refund for excess funding 8/7/12	\$ 6,342,312.00		\$ 6,342,312.00
August transfer to ADHE 8/10/12	\$ (55,000,000.00)		\$ (55,000,000.00)
June 2012 Audit Adjustments funding - 9/15/12	\$ (72,247.92)		\$ (72,247.92)
August 2012 funding - 9/15/12	\$ 7,181,223.09	\$ 12,062.84	\$ 7,193,285.93
September 2012 funding - 10/15/12	\$ 6,576,892.46	\$ 8,064.30	\$ 6,584,956.76
October 2012 funding - 11/15/12	\$ 6,621,349.77	\$ 11,516.26	\$ 6,632,866.03
November 2012 funding - 12/15/12	\$ 8,429,441.15	\$ 14,494.44	\$ 8,443,935.59
December 2012 funding - 1/15/13	\$ 6,895,999.32	\$ 18,261.36	\$ 6,914,260.68
January 2013 funding - 2/15/13	\$ 6,516,869.09	\$ 22,084.00	\$ 6,538,953.09
February transfer to ADHE 2/1/13	\$ (45,000,000.00)		\$ (45,000,000.00)
February transfer to ADHE 2/8/13	\$ (10,000,000.00)		\$ (10,000,000.00)
February 2013 funding - 3/15/13	\$ 6,445,840.69	\$ 1,278.08	\$ 6,447,118.77

Arkansas Lottery Commission
Unclaimed Prizes
February 28, 2013

	Monthly	Year to Date
1. Unclaimed lottery prize money:	\$130,658.00	\$3,809,383.62
2. Expenditures from unclaimed lottery prize money:	0.00	158,385.00
3. Reserved for future prizes, promotions or reserves:	\$130,658.00	\$3,650,998.62
4. Deposits to net lottery proceeds from unclaimed Lottery prize money:	\$0.00	\$0.00

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

February 1 through February 28, 2013

Vendors	Goods or Services	Diversity Classification	February 2013	FY 2013 Total
BSW Advertising	Advertising/Public Relations	Minority-owned		\$4,293.89
Goddess Products	Office Furniture/Supplies	Minority-owned	\$53.88	\$3,796.47
CCI of Arkansas	Electrical Services	Minority-owned	\$659.66	\$659.66
Northeast Arkansas Cleaning Service	Janitorial Services	Female-owned	\$379.75	\$3,526.26
Party Prints	Advertising/Public Relations	Minority/Female-owned		\$5,737.48
Ride N Shine Detail	Auto Detail & Cosmetic Repair	Minority-owned		\$151.91
SHI International Corporation	Computer Software	Female-owned		\$7,236.60
Trivia Marketing	Advertising/Public Relations	Female-owned	\$19.53	\$116.21
Totals			\$1,112.82	\$25,518.48

INTRALOT MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT

February 1 through February 28, 2013

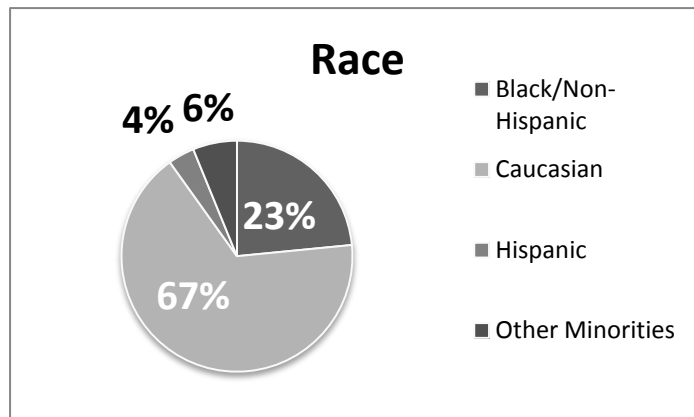
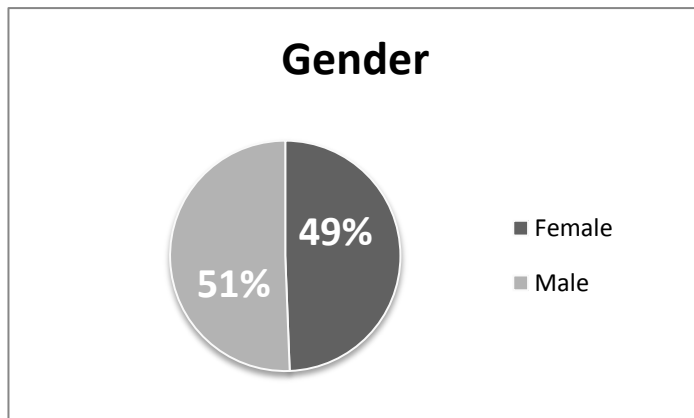
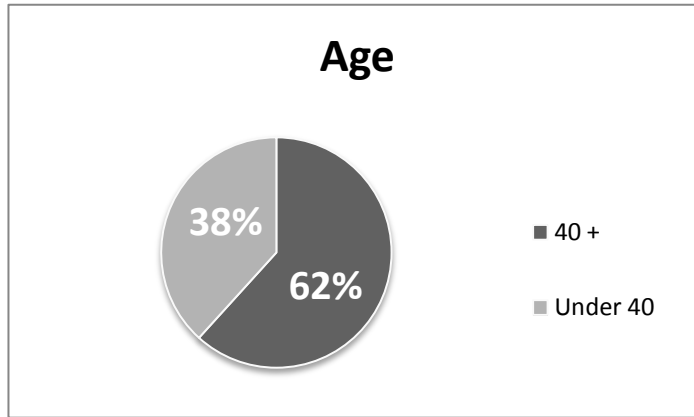
Vendors	Goods or Services	Diversity Classification	February 2013	FY 2013 Total
Goddess Products	Office Furniture/Supplies	Minority-owned	\$139.95	\$998.60
J Kelly Referrals and Information Services	Call Center/Information Services	Minority-owned	\$11,645.53	\$107,567.47
Totals			\$11,785.48	\$108,566.07

SCIENTIFIC GAMES MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT

February 1 through February 28, 2013

Vendors	Goods or Services	Diversity Classification	February 2013	FY 2013 Total
Central Copiers	Office Supplies/Equipment	Female-owned	\$408.20	\$980.60
Expedited Transportation Service	Transportation Services	Female-owned	\$15,207.44	\$110,381.78
Mr. Klean Carpet and Janitorial Service	Janitorial Services	Minority-owned	\$1,031.60	\$3,119.70
Premier Staffing	Staffing Services	Female-owned		\$823.44
Totals			\$16,647.24	\$115,305.52

**Arkansas Lottery Commission
Demographics – February 2013**



Total Number of Employees as of February 28, 2013: 81

Gender:

Females – 40
Males – 41

Age:

Under 40 – 31
40 + – 50

Race:

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

Caucasian – 54
Female - 23
Male - 31

Hispanic – 3
Female - 2
Male - 1

Other – 5
Female - 2
Male - 3

**Arkansas Lottery Commission – Internal Audit
Arkansas Lottery Commission Legislative Oversight Committee Monthly Report
March 11, 2013**

No issues or problems have been reported to the Arkansas Lottery Commission since the previous report submitted to the Arkansas Lottery Commission Legislative Oversight Committee on February 10, 2013.

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

Sales for the following instant games began February 5, 2013. No ending dates have been determined for these games.

\$1 3 Times Lucky

\$2 Raining Gems

\$5 EZ Grand

Sales for the following Fast Play games began February 4, 2013. No ending dates have been determined for these games.

\$1 3 Times Lucky

\$2 Lucky Loot