



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>

March 10, 2021

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 February 2021. 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,

J. Eric Hagler  
Director

Enclosures

cc: Mr. Larry Walther, Secretary of the Department of Finance and Administration



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**Department of Finance  
and Administration**

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March 10, 2021

The Honorable Joyce Elliot, Co-Chair  
The Honorable Laurie Rushing, Co-Chair  
Arkansas Legislative Council Lottery Oversight Subcommittee  
One Capitol Mall Room R-501  
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Dear Senator Elliot and Representative Rushing:

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 February 2021. The reports contain the following information:

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**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Term Contracts for Goods and Services**  
**February 1 through February 28, 2021**

1. On February 24, 2021, Scientific Games International (SGI) granted the Office of the Arkansas Lottery (OAL) the non-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-620 Magic 8 Ball™. 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: February 24, 2021
  - 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 date 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 this 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 is no additional costs for the use of Magic 8 Ball™.

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Debt Set-Off and Retailer Losses**  
**February 28, 2021**

**1. Debt Set-Off Collections:**

a. Arkansas Department of Finance and Administration	\$ 9,590.81
b. Arkansas Office of Child Support Enforcement - Child Support	\$ 0.00
Total Debt Set-Off:	\$ 9,590.81

**2. Retailer Losses: \$0.00**

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**OFFICE OF THE ARKANSAS LOTTERY**  
**RETAIL SALES BY COUNTY**  
**February 1 through February 28, 2021**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
ARKANSAS	\$14,298.50	\$5,964.50	\$11,048.00	\$407,598.00	\$1,968.00	\$10,523.00	\$5,614.00	\$13,554.00	\$470,568.00
ASHLEY	\$12,671.00	\$12,983.00	\$9,524.00	\$172,688.00	\$1,512.00	\$5,089.00	\$2,764.00	\$8,267.00	\$225,498.00
BAXTER	\$4,391.50	\$1,706.50	\$21,928.00	\$413,447.00	\$5,252.00	\$17,074.00	\$12,560.00	\$24,104.00	\$500,463.00
BENTON	\$8,017.00	\$3,236.50	\$24,895.00	\$1,322,896.00	\$11,738.00	\$75,912.00	\$32,654.00	\$105,815.00	\$1,585,163.50
BOONE	\$954.50	\$2,083.00	\$39,543.00	\$433,046.00	\$2,566.00	\$13,077.00	\$6,363.00	\$17,250.00	\$514,882.50
BRADLEY	\$2,362.50	\$3,780.50	\$2,131.00	\$172,302.00	\$646.00	\$3,697.00	\$1,669.00	\$4,810.00	\$191,398.00
CALHOUN	\$3,169.00	\$563.50	\$1,919.00	\$58,200.00	\$308.00	\$868.00	\$537.00	\$1,295.00	\$66,859.50
CARROLL	\$736.00	\$791.00	\$11,903.00	\$241,790.00	\$1,554.00	\$8,068.00	\$4,394.00	\$12,840.00	\$282,076.00
CHICOT	\$6,060.50	\$2,514.50	\$6,691.00	\$187,095.00	\$2,252.00	\$7,549.00	\$4,137.00	\$10,132.00	\$226,431.00
CLARK	\$3,532.50	\$1,425.00	\$21,746.00	\$336,198.00	\$1,192.00	\$9,033.00	\$4,706.00	\$11,560.00	\$389,392.50
CLAY	\$1,205.00	\$87.00	\$4,435.00	\$103,691.00	\$520.00	\$2,511.00	\$2,500.00	\$3,624.00	\$118,573.00
CLEBURNE	\$1,904.00	\$573.00	\$17,681.00	\$304,804.00	\$2,548.00	\$13,080.00	\$10,335.00	\$17,196.00	\$368,121.00
CLEVELAND	\$502.00	\$109.50	\$3,056.00	\$78,052.00	\$1,082.00	\$1,117.00	\$944.00	\$1,599.00	\$86,461.50
COLUMBIA	\$15,110.50	\$6,915.50	\$8,282.00	\$325,944.00	\$1,598.00	\$6,793.00	\$6,462.00	\$9,474.00	\$380,579.00
CONWAY	\$7,254.50	\$2,497.50	\$17,853.00	\$431,302.00	\$1,996.00	\$11,679.00	\$8,323.00	\$15,750.00	\$496,655.00
CRAIGHEAD	\$15,323.00	\$7,299.50	\$50,794.00	\$1,603,549.00	\$5,510.00	\$35,291.00	\$20,009.00	\$47,677.00	\$1,785,452.50
CRAWFORD	\$1,175.00	\$532.00	\$13,147.00	\$403,572.00	\$2,834.00	\$20,488.00	\$9,674.00	\$27,747.00	\$479,169.00
CRITTENDEN	\$22,415.50	\$17,013.50	\$14,933.00	\$666,610.00	\$5,418.00	\$24,543.00	\$12,302.00	\$36,635.00	\$799,870.00
CROSS	\$5,360.50	\$1,663.00	\$9,074.00	\$292,673.00	\$716.00	\$4,862.00	\$3,440.00	\$7,371.00	\$325,159.50
DALLAS	\$1,532.50	\$757.00	\$6,295.00	\$185,453.00	\$474.00	\$3,115.00	\$2,123.00	\$5,302.00	\$205,051.50
DESHA	\$2,515.00	\$1,667.50	\$5,842.00	\$241,782.00	\$778.00	\$7,103.00	\$3,528.00	\$8,838.00	\$272,053.50
DREW	\$3,128.50	\$1,672.00	\$7,910.00	\$316,783.00	\$1,782.00	\$8,340.00	\$4,043.00	\$10,804.00	\$354,462.50
FAULKNER	\$13,846.50	\$6,184.50	\$50,874.00	\$1,245,722.00	\$7,600.00	\$43,502.00	\$30,672.00	\$59,660.00	\$1,458,061.00
FRANKLIN	\$481.00	\$61.50	\$17,142.00	\$186,785.00	\$852.00	\$8,001.00	\$3,668.00	\$11,096.00	\$228,086.50
FULTON	\$297.00	\$587.00	\$2,663.00	\$60,052.00	\$796.00	\$2,281.00	\$1,420.00	\$3,067.00	\$71,163.00
GARLAND	\$14,323.00	\$6,817.00	\$38,057.00	\$1,080,779.00	\$10,088.00	\$54,393.00	\$41,301.00	\$69,444.00	\$1,315,202.00
GRANT	\$696.50	\$645.50	\$6,396.00	\$141,678.00	\$1,192.00	\$6,409.00	\$3,709.00	\$8,745.00	\$169,471.00
GREENE	\$612.50	\$421.50	\$19,364.00	\$634,920.00	\$2,178.00	\$14,543.00	\$7,444.00	\$21,915.00	\$701,398.00
HEMPSTEAD	\$55,753.00	\$17,273.00	\$8,197.00	\$337,511.00	\$1,032.00	\$6,913.00	\$2,755.00	\$9,055.00	\$438,489.00
HOT SPRING	\$1,396.00	\$451.00	\$16,836.00	\$356,956.00	\$2,024.00	\$11,839.00	\$6,248.00	\$14,390.00	\$410,140.00
HOWARD	\$48,176.00	\$13,024.50	\$13,325.00	\$270,298.00	\$1,382.00	\$6,233.00	\$2,846.00	\$8,098.00	\$363,382.50
INDEPENDENCE	\$3,465.00	\$1,598.00	\$54,092.00	\$538,138.00	\$1,710.00	\$13,959.00	\$8,876.00	\$18,396.00	\$640,234.00
IZARD	\$147.00	\$49.00	\$6,472.00	\$93,842.00	\$572.00	\$3,766.00	\$2,580.00	\$4,605.00	\$112,033.00
JACKSON	\$13,284.50	\$7,022.50	\$18,700.00	\$291,108.00	\$1,276.00	\$6,748.00	\$6,447.00	\$9,069.00	\$353,655.00
JEFFERSON	\$51,440.50	\$42,187.00	\$36,565.00	\$1,304,786.00	\$9,106.00	\$41,614.00	\$23,623.00	\$53,942.00	\$1,563,263.50
JOHNSON	\$888.00	\$1,284.50	\$5,353.00	\$266,149.00	\$1,310.00	\$7,572.00	\$4,399.00	\$10,986.00	\$297,941.50
LAFAYETTE	\$11,684.00	\$3,600.00	\$3,319.00	\$79,958.00	\$650.00	\$2,481.00	\$873.00	\$2,963.00	\$105,528.00
LAWRENCE	\$444.00	\$106.50	\$13,760.00	\$264,258.00	\$912.00	\$5,950.00	\$3,865.00	\$7,488.00	\$296,783.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**OFFICE OF THE ARKANSAS LOTTERY**  
**RETAIL SALES BY COUNTY**  
**February 1 through February 28, 2021**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
LEE	\$3,269.00	\$8,146.00	\$1,261.00	\$80,700.00	\$420.00	\$2,046.00	\$1,024.00	\$2,410.00	\$99,276.00
LINCOLN	\$362.50	\$465.00	\$3,873.00	\$95,575.00	\$706.00	\$3,246.00	\$1,771.00	\$4,474.00	\$110,472.50
LITTLE RIVER	\$5,233.00	\$2,407.50	\$4,168.00	\$139,243.00	\$758.00	\$4,643.00	\$1,283.00	\$5,748.00	\$163,483.50
LOGAN	\$60.00	\$49.50	\$12,058.00	\$243,079.00	\$830.00	\$7,882.00	\$4,541.00	\$11,187.00	\$279,686.50
LONOKE	\$14,023.50	\$7,316.00	\$52,576.00	\$1,005,001.00	\$5,878.00	\$32,155.00	\$21,588.00	\$42,477.00	\$1,180,814.50
MADISON	\$18.50	\$36.00	\$4,707.00	\$109,970.00	\$400.00	\$4,459.00	\$2,198.00	\$5,787.00	\$127,575.50
MARION	\$9,075.00	\$3,058.50	\$9,387.00	\$202,358.00	\$1,336.00	\$6,452.00	\$5,582.00	\$8,496.00	\$245,744.50
MILLER	\$29,289.00	\$13,027.50	\$17,104.00	\$608,790.00	\$3,122.00	\$14,502.00	\$7,383.00	\$17,718.00	\$710,935.50
MISSISSIPPI	\$49,348.00	\$20,161.00	\$20,661.00	\$593,519.00	\$1,346.00	\$12,070.00	\$5,010.00	\$15,937.00	\$718,052.00
MONROE	\$11,993.50	\$2,502.50	\$16,092.00	\$182,167.00	\$660.00	\$5,161.00	\$2,532.00	\$6,440.00	\$227,548.00
MONTGOMERY	\$2.00	\$0.00	\$2,204.00	\$23,548.00	\$180.00	\$1,350.00	\$719.00	\$2,234.00	\$30,237.00
NEVADA	\$5,194.00	\$1,650.00	\$1,452.00	\$172,643.00	\$678.00	\$2,566.00	\$1,053.00	\$3,169.00	\$188,405.00
NEWTON	\$25.00	\$12.00	\$2,301.00	\$35,467.00	\$126.00	\$870.00	\$561.00	\$1,350.00	\$40,712.00
OUACHITA	\$14,530.50	\$6,561.00	\$28,264.00	\$675,321.00	\$1,872.00	\$9,771.00	\$5,985.00	\$14,366.00	\$756,670.50
PERRY	\$559.50	\$297.00	\$6,717.00	\$128,700.00	\$440.00	\$4,123.00	\$2,248.00	\$6,010.00	\$149,094.50
PHILLIPS	\$11,201.50	\$4,583.00	\$10,634.00	\$266,352.00	\$1,636.00	\$8,286.00	\$3,701.00	\$10,990.00	\$317,383.50
PIKE	\$229.50	\$142.50	\$16,975.00	\$126,297.00	\$848.00	\$4,618.00	\$4,002.00	\$5,629.00	\$158,741.00
POINSETT	\$6,572.00	\$1,063.50	\$29,919.00	\$598,978.00	\$896.00	\$8,296.00	\$4,952.00	\$11,464.00	\$662,140.50
POLK	\$1,486.00	\$17.00	\$5,160.00	\$163,306.00	\$1,682.00	\$7,425.00	\$4,903.00	\$10,184.00	\$194,163.00
POPE	\$4,310.50	\$1,486.00	\$24,587.00	\$791,321.00	\$4,336.00	\$27,881.00	\$18,399.00	\$35,802.00	\$908,122.50
PRAIRIE	\$2,305.50	\$1,044.50	\$4,300.00	\$145,226.00	\$362.00	\$2,932.00	\$2,187.00	\$4,196.00	\$162,553.00
PULASKI	\$130,826.50	\$114,492.00	\$284,844.00	\$6,099,352.00	\$75,186.00	\$270,980.00	\$180,885.00	\$339,951.00	\$7,496,516.50
RANDOLPH	\$205.00	\$148.50	\$9,080.00	\$180,585.00	\$994.00	\$6,199.00	\$2,853.00	\$8,710.00	\$208,774.50
SAINT FRANCIS	\$23,494.50	\$12,314.00	\$6,111.00	\$374,993.00	\$1,642.00	\$8,848.00	\$3,772.00	\$11,687.00	\$442,861.50
SALINE	\$23,093.00	\$9,886.00	\$59,282.00	\$1,112,418.00	\$8,972.00	\$44,552.00	\$32,038.00	\$57,456.00	\$1,347,697.00
SCOTT	\$136.00	\$83.00	\$4,034.00	\$99,989.00	\$510.00	\$4,053.00	\$1,543.00	\$6,367.00	\$116,715.00
SEARCY	\$158.50	\$542.00	\$2,754.00	\$74,330.00	\$446.00	\$2,496.00	\$1,517.00	\$3,438.00	\$85,681.50
SEBASTIAN	\$9,100.50	\$2,617.50	\$28,493.00	\$887,236.00	\$8,484.00	\$51,620.00	\$34,377.00	\$70,943.00	\$1,092,871.00
SEVIER	\$4,228.50	\$437.50	\$1,486.00	\$165,922.00	\$844.00	\$4,680.00	\$1,563.00	\$5,525.00	\$184,686.00
SHARP	\$595.00	\$248.50	\$16,167.00	\$288,727.00	\$2,216.00	\$10,030.00	\$6,414.00	\$14,463.00	\$338,860.50
STONE	\$3,703.50	\$2,304.00	\$16,616.00	\$98,772.00	\$1,046.00	\$4,705.00	\$5,169.00	\$5,676.00	\$137,991.50
UNION	\$68,297.50	\$29,144.50	\$37,519.00	\$856,446.00	\$3,050.00	\$17,077.00	\$8,329.00	\$23,193.00	\$1,043,056.00
VAN BUREN	\$662.50	\$440.00	\$9,763.00	\$166,755.00	\$950.00	\$6,862.00	\$5,097.00	\$8,710.00	\$199,239.50
WASHINGTON	\$19,374.50	\$8,277.00	\$41,333.00	\$1,682,199.00	\$12,018.00	\$73,900.00	\$38,308.00	\$101,682.00	\$1,977,091.50
WHITE	\$8,098.00	\$4,164.50	\$45,101.00	\$944,432.00	\$4,072.00	\$22,612.00	\$15,581.00	\$32,702.00	\$1,076,762.50
WOODRUFF	\$1,818.50	\$1,536.50	\$6,377.00	\$138,489.00	\$386.00	\$2,608.00	\$1,851.00	\$3,642.00	\$156,708.00
YELL	\$737.50	\$1,451.00	\$9,324.00	\$247,800.00	\$934.00	\$7,577.00	\$4,435.00	\$10,637.00	\$282,895.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**OFFICE OF THE ARKANSAS LOTTERY**  
**RETAIL SALES BY COUNTY**  
 February 1 through February 28, 2021

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
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<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>
	\$814,171.00	\$439,260.50	\$1,474,429.00	\$35,658,421.00	\$246,986.00	\$1,235,549.00	\$755,161.00	\$1,645,413.00	\$42,269,390.50

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Total Number of Active Retailers  
February 2021**

There were 1963 active retailers as of February 28, 2021.



**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Statement of Net Position  
February 28, 2021**

**ASSETS**

<b>Current assets:</b>	
Cash and cash equivalents	\$ 2,571,820.06
<b>Restricted assets:</b>	
Cash and cash equivalents	115,606,197.15
Accounts receivable	15,358,724.46
Prepaid items	1,188,679.48
Total current assets	<u>134,725,421.15</u>
<b>Non-current assets:</b>	
<b>Restricted assets:</b>	
Cash and cash equivalents	20,596,476.76
Deposits with Multi-State Lottery Association	2,079,722.07
Capital assets (Net of accumulated depreciation)	1,535,176.07
Total non-current assets	<u>24,211,374.90</u>
Total assets	<u>158,936,796.05</u>
<b>Deferred outflows of resources:</b>	
Related to pension	931,661.70
Related to OPEB	966,044.98
Total deferred outflows of resources	<u>1,897,706.68</u>
Total assets and deferred outflows of resources	<u>\$ 160,834,502.73</u>

**LIABILITIES**

<b>Current liabilities:</b>	
Accounts payable	\$ 949,683.77
Prizes payable	21,750,197.85
Accrued and other liabilities	2,631,656.16
Due to other funds of the State	388,236.60
Due to Education Trust Account	26,516,687.36
Due to Workforce Challenge Trust Account	82,474,411.86
Compensated absences	427,442.59
OPEB Obligation	114,672.71
Unearned revenue	275,610.65
Total current liabilities	<u>135,528,599.55</u>
<b>Long-Term liabilities:</b>	
Net other post employment benefits	4,575,489.59
Net pension liability	4,646,795.00
Total long-term liabilities	<u>9,222,284.59</u>
Total liabilities	<u>144,750,884.14</u>
<b>Deferred inflows of resources:</b>	
Related to pension	338,626.00
Related to OPEB	388,016.43
Total deferred inflows of resources	<u>726,642.43</u>
Total liabilities and deferred inflows of resources	<u>145,477,526.57</u>

**NET POSITION**

<b>Net position:</b>	
Invested in capital assets	1,535,176.07
<b>Restricted for:</b>	
Scholarship shortfall reserve	20,000,000.00
Retailer bond reserve	596,819.77
Deposits with Multi-State Lottery Association	2,079,722.07
Unclaimed prizes reserve	6,615,097.93
Unrestricted (deficit)	<u>(15,469,839.68)</u>
Total net position	<u>15,356,976.16</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 160,834,502.73</u>

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Statement of Revenues, Expenses and Change in Net Position  
For the Eight Months Ended February 28, 2021**

	Current month	Year to date
<b>Operating revenues:</b>		
Instant ticket sales	\$ 35,402,523.00	\$ 318,344,499.00
Online ticket sales	6,649,034.50	69,306,285.50
Retailer application, fidelity, bond and service fees	47,886.72	456,721.67
Other revenue	0.00	1,374.17
	<u>42,099,444.22</u>	<u>388,108,880.34</u>
<b>Total operating revenues</b>		
	<u>42,099,444.22</u>	<u>388,108,880.34</u>
<b>Operating expenses:</b>		
Instant game prizes	24,168,473.46	229,906,206.25
Online game prizes	3,787,038.73	38,087,218.53
Retailer commissions	2,397,516.24	21,946,506.19
Gaming contract costs	2,106,029.39	18,295,717.41
Compensation and benefits	414,783.27	3,481,062.37
Marketing, advertising and promotions	594,408.58	4,960,114.65
General and administrative expenses	591,564.45	3,458,878.97
Services provided by Arkansas Department of Higher Education	42,000.00	336,000.00
Services provided by Arkansas Legislative Audit	20,600.00	164,800.00
Legal and professional services	0.00	425.05
Depreciation	38,144.15	303,452.52
	<u>34,160,558.27</u>	<u>320,940,381.94</u>
<b>Total operating expenses</b>		
	<u>34,160,558.27</u>	<u>320,940,381.94</u>
<b>Operating income (1)</b>	7,938,885.95	67,168,498.40
<b>Non-operating revenue:</b>		
Interest income	65,480.00	535,175.94
	<u>65,480.00</u>	<u>535,175.94</u>
<b>Income before transfers</b>	8,004,365.95	67,703,674.34
<b>Transfers to:</b>		
Education Trust Account	(5,592,370.95)	(63,278,490.04)
	<u>(5,592,370.95)</u>	<u>(63,278,490.04)</u>
<b>Change in net position</b>	<u>\$ 2,411,995.00</u>	4,425,184.30
<b>Total net position - beginning</b>		10,931,791.86
<b>Total net position - ending</b>		<u>\$ 15,356,976.16</u>

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

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Statement of Revenues and Expenses Budget Comparisons**  
**For the Eight Months Ended February 28, 2021**

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
<b>Operating revenues:</b>										
Instant games	\$ 35,402,523.00	84.09	\$ 33,500,000.00	87.05	\$ 1,902,523.00	\$ 318,344,499.00	82.02	\$ 263,900,000.00	86.86	\$ 54,444,499.00
Online games	6,849,034.50	15.79	4,945,000.00	12.85	1,704,034.50	69,306,285.50	17.86	39,565,000.00	13.02	29,741,285.50
Retailer fees	47,886.72	0.11	38,000.00	0.10	9,886.72	456,721.67	0.12	348,000.00	0.11	108,721.67
Other revenue	-	-	500.00	0.00	(500.00)	1,374.17	0.00	4,000.00	0.00	(2,625.83)
				0.00%						
Total operating revenues	<u>42,099,444.22</u>	100.00	<u>38,483,500.00</u>	100.00	<u>3,615,944.22</u>	<u>388,108,880.34</u>	100.00	<u>303,817,000.00</u>	100.00	<u>84,291,880.34</u>
<b>Operating expenses:</b>										
Instant game prizes	24,168,473.46	57.41	24,057,000.00	62.51	111,473.46	229,906,206.25	59.24	189,454,000.00	62.36	40,452,206.25
Online game prizes	3,787,038.73	9.00	2,750,000.00	7.15	1,037,038.73	38,087,218.53	9.81	21,491,000.00	7.07	16,596,218.53
Retailer commissions	2,397,516.24	5.69	2,175,000.00	5.65	222,516.24	21,946,506.19	5.65	17,170,000.00	5.65	4,776,506.19
Gaming contract costs	2,106,029.39	5.00	1,737,000.00	4.51	369,029.39	18,295,717.41	4.71	14,159,000.00	4.66	4,136,717.41
Compensation & benefits	414,783.27	0.99	424,000.00	1.10	(9,216.73)	3,481,062.37	0.90	3,625,000.00	1.19	(143,937.63)
Marketing, advertising & promotions	594,408.58	1.41	625,000.00	1.62	(30,591.42)	4,960,114.65	1.28	5,015,000.00	1.65	(54,885.35)
General and administrative expenses	591,564.45	1.41	170,000.00	0.44	421,564.45	3,458,878.97	0.89	1,442,000.00	0.47	2,016,878.97
Services provided by other agencies	62,600.00	0.15	38,000.00	0.10	24,600.00	500,800.00	0.13	433,000.00	0.14	67,800.00
Legal and professional service	-	-	500.00	0.00	(500.00)	425.05	0.00	4,000.00	0.00	(3,574.95)
Depreciation	38,144.15	0.09	32,000.00	0.08	6,144.15	303,452.52	0.08	255,000.00	0.08	48,452.52
Total operating expenses	<u>34,160,558.27</u>	81.14	<u>32,008,500.00</u>	83.17	<u>2,152,058.27</u>	<u>320,940,381.94</u>	82.69	<u>253,048,000.00</u>	83.29	<u>67,892,381.94</u>
Operating income	7,938,885.95	18.86	6,475,000.00	16.83	1,463,885.95	67,168,498.40	17.31	50,769,000.00	16.71	16,399,498.40
<b>Non-operating revenue:</b>										
Interest income	<u>65,480.00</u>	0.16	<u>60,000.00</u>	0.16	<u>5,480.00</u>	<u>535,175.94</u>	0.14	<u>456,000.00</u>	0.15	<u>79,175.94</u>
Income before transfers	<u>\$ 8,004,365.95</u>	19.01	<u>\$ 6,535,000.00</u>	16.98	<u>\$ 1,469,365.95</u>	<u>\$ 67,703,674.34</u>	17.44	<u>\$ 51,225,000.00</u>	16.86	<u>\$ 16,478,674.34</u>

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Net Proceeds Transfer to Ed Trust Computation**  
**Modified Cash Basis**  
**For the Eight Months Ended February 28, 2021**

	Year to date																																																																																																																																				
<b>Operating revenues:</b>																																																																																																																																					
Instant ticket (Settlements)	\$ 319,910,314.00																																																																																																																																				
Online ticket sales	69,306,285.50																																																																																																																																				
Retailer application, fidelity and service fees	456,721.67																																																																																																																																				
Other revenue	<u>1,374.17</u>																																																																																																																																				
<b>Total operating revenues</b>	<b><u>389,674,695.34</u></b>																																																																																																																																				
<b>Operating expenses:</b>																																																																																																																																					
Instant game prizes (Settlements)	231,016,682.01																																																																																																																																				
Online game prizes	38,087,218.53																																																																																																																																				
Retailer commissions	21,946,506.19																																																																																																																																				
Gaming contract costs	18,295,717.41																																																																																																																																				
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General and administrative expenses	3,458,878.97																																																																																																																																				
Services provided by ADHE	336,000.00																																																																																																																																				
Services provided by Legislative Audit Agency	164,800.00																																																																																																																																				
Legal and professional services	425.05																																																																																																																																				
Current year capital asset cost	<u>56,189.50</u>																																																																																																																																				
<b>Total operating expenses</b>	<b><u>321,803,694.68</u></b>																																																																																																																																				
<b>Change in net proceeds from operations</b>	<b>67,871,100.66</b>																																																																																																																																				
<b>Non-operating revenue:</b>																																																																																																																																					
Interest income	535,175.94																																																																																																																																				
Other non-operating income	0.00																																																																																																																																				
EDUCATION TRUST FUNDING-Current Year	(57,686,119.09)																																																																																																																																				
Less Act 1180 Unclaimed Prizes	(5,615,097.93)																																																																																																																																				
Less current year Bond Reserve Fees	(97,926.76) restricted reserves																																																																																																																																				
Add Bond Funds in excess of \$500,000	see 23-115-603(a)(5)																																																																																																																																				
Add back Write Off Retailer Bad Debt	1,106.99																																																																																																																																				
Less current year MUSL Reserves	435,631.14 see 23-115-103(17) and (19)(A)&(B)																																																																																																																																				
Add OPEB expense in Comp and Benefits	<u>148,500.00</u>																																																																																																																																				
<b>NET PROCEEDS EARNED-Current Month</b>	<b><u>\$ 5,592,370.95</u></b>																																																																																																																																				
	<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: right;">Transfer</th> <th style="width: 20%; text-align: right;">Interest</th> <th style="width: 20%; text-align: right;">Total</th> </tr> </thead> <tbody> <tr> <td><b>Academic Challenge Scholarship Trust</b></td> <td style="text-align: right;"><b>\$ 23,324,482.67</b></td> <td style="text-align: right;"><b>\$ 3,192,204.69</b></td> <td style="text-align: right;"><b>\$ 26,516,687.36</b></td> </tr> <tr> <td>February 2020 funding - 3/15/20</td> <td style="text-align: right;">\$ 7,201,704.36</td> <td style="text-align: right;">\$ 31,852.41</td> <td style="text-align: right;">\$ 7,233,556.77</td> </tr> <tr> <td>March 2020 funding - 4/15/20</td> <td style="text-align: right;">\$ 7,381,962.30</td> <td style="text-align: right;">\$ 4,535.00</td> <td style="text-align: right;">\$ 7,386,497.30</td> </tr> <tr> <td>April 2020 funding - 5/15/20</td> <td style="text-align: right;">\$ 8,312,074.87</td> <td style="text-align: right;">\$ 6,237.77</td> <td style="text-align: right;">\$ 8,318,312.64</td> </tr> <tr> <td>May 2020 funding - 6/15/20</td> <td style="text-align: right;">\$ 8,609,833.84</td> <td style="text-align: right;">\$ 9,272.55</td> <td style="text-align: right;">\$ 8,619,106.39</td> </tr> <tr> <td>June 2020 funding - 7/15/20</td> <td style="text-align: right;">\$ 14,969,860.90</td> <td style="text-align: right;">\$ 14,602.28</td> <td style="text-align: right;">\$ 14,984,463.18</td> </tr> <tr> <td>June 2020 Final Adjustments funding - 10/22/20</td> <td style="text-align: right;">\$ (185,527.29)</td> <td></td> <td style="text-align: right;">\$ (185,527.29)</td> </tr> <tr> <td>Transfer excess net proceeds to Workforce Trust Fund 10/22/20</td> <td style="text-align: right;">\$ (16,265,393.95)</td> <td></td> <td style="text-align: right;">\$ (16,265,393.95)</td> </tr> <tr> <td>July 2020 funding - 8/15/20</td> <td style="text-align: right;">\$ 8,573,004.11</td> <td style="text-align: right;">\$ 19,569.82</td> <td style="text-align: right;">\$ 8,592,573.93</td> </tr> <tr> <td>August 2020 funding - 9/15/20</td> <td style="text-align: right;">\$ 7,837,402.04</td> <td style="text-align: right;">\$ 25,515.40</td> <td style="text-align: right;">\$ 7,862,917.44</td> </tr> <tr> <td>Transfer to ADHE for FY 2021 Fall Funding 9/24/20</td> <td style="text-align: right;">\$ (38,000,000.00)</td> <td></td> <td style="text-align: right;">\$ (38,000,000.00)</td> </tr> <tr> <td>September 2020 funding - 10/15/20</td> <td style="text-align: right;">\$ 7,667,415.02</td> <td style="text-align: right;">\$ 24,161.97</td> <td style="text-align: right;">\$ 7,691,576.99</td> </tr> <tr> <td>October 2020 funding - 11/15/20</td> <td style="text-align: right;">\$ 8,435,196.50</td> <td style="text-align: right;">\$ 12,140.50</td> <td style="text-align: right;">\$ 8,447,337.00</td> </tr> <tr> <td>November 2020 funding - 12/15/20</td> <td style="text-align: right;">\$ 8,196,802.93</td> <td style="text-align: right;">\$ 10,795.95</td> <td style="text-align: right;">\$ 8,207,598.88</td> </tr> <tr> <td>December 2020 funding - 1/15/21</td> <td style="text-align: right;">\$ 5,956,009.67</td> <td style="text-align: right;">\$ 14,912.86</td> <td style="text-align: right;">\$ 5,970,922.53</td> </tr> <tr> <td>January 2021 funding - 2/15/21</td> <td style="text-align: right;">\$ 10,896,695.24</td> <td style="text-align: right;">\$ 16,497.08</td> <td style="text-align: right;">\$ 10,913,192.32</td> </tr> <tr> <td>Transfer to ADHE for FY2021 Spring Funding 2/17/20</td> <td style="text-align: right;">\$ (30,000,000.00)</td> <td></td> <td style="text-align: right;">\$ (30,000,000.00)</td> </tr> <tr> <td>February 2021 funding - 3/15/21</td> <td style="text-align: right;">\$ 5,577,047.59</td> <td style="text-align: right;">\$ 15,323.36</td> <td style="text-align: right;">\$ 5,592,370.95</td> </tr> <tr> <td><b>Workforce Challenge Scholarship Trust</b></td> <td style="text-align: right;"><b>\$ 82,474,411.86</b></td> <td></td> <td style="text-align: right;"><b>\$ 82,474,411.86</b></td> </tr> <tr> <td>FY 2017 Excess Net Proceeds transferred from Edu Trust 12/1/17</td> <td style="text-align: right;">\$ 14,157,060.23</td> <td></td> <td style="text-align: right;">\$ 14,157,060.23</td> </tr> <tr> <td>ADHE Refund from FY 2017 - 11/30/17</td> <td style="text-align: right;">\$ 4,887,236.92</td> <td></td> <td style="text-align: right;">\$ 4,887,236.92</td> </tr> <tr> <td>ADHE Refund from FY 2018 - 9/6/18</td> <td style="text-align: right;">\$ 11,710,439.46</td> <td></td> <td style="text-align: right;">\$ 11,710,439.46</td> </tr> <tr> <td>Transfer excess net proceeds to Workforce Trust Fund 10/16/18</td> <td style="text-align: right;">\$ 8,344,929.36</td> <td></td> <td style="text-align: right;">\$ 8,344,929.36</td> </tr> <tr> <td>Transfer to ADHE for FY 2019 fall funding 1/7/18 Workforce Challenge</td> <td style="text-align: right;">\$ (1,000,000.00)</td> <td></td> <td style="text-align: right;">\$ (1,000,000.00)</td> </tr> <tr> <td>FY 2019 Excess Net Proceeds transferred from Edu Trust 9/5/19</td> <td style="text-align: right;">\$ 3,904,288.48</td> <td></td> <td style="text-align: right;">\$ 3,904,288.48</td> </tr> <tr> <td>Transfer excess net proceeds to Workforce Trust Fund 11/08/19</td> <td style="text-align: right;">\$ 23,639,040.28</td> <td></td> <td style="text-align: right;">\$ 23,639,040.28</td> </tr> <tr> <td>Transfer to ADHE for FY 2020 fall funding 4/24/20 Concurrent Challenge</td> <td style="text-align: right;">\$ (1,000,000.00)</td> <td></td> <td style="text-align: right;">\$ (1,000,000.00)</td> </tr> <tr> <td>Transfer to ADHE for FY 2020 spring funding 7/24/20 Concurrent Challenge</td> <td style="text-align: right;">\$ (400,000.00)</td> <td></td> <td style="text-align: right;">\$ (400,000.00)</td> </tr> <tr> <td>ADHE Refund from FY 2020 / 8/14/20</td> <td style="text-align: right;">\$ 4,466,023.18</td> <td></td> <td style="text-align: right;">\$ 4,466,023.18</td> </tr> <tr> <td>Transfer excess net proceeds to Workforce Trust Fund 10/22/20</td> <td style="text-align: right;">\$ 16,265,393.95</td> <td></td> <td style="text-align: right;">\$ 16,265,393.95</td> </tr> <tr> <td>Transfer to ADHE for FY 2021 Fall funding 11/10/20 Concurrent Challenge</td> <td style="text-align: right;">\$ (1,000,000.00)</td> <td></td> <td style="text-align: right;">\$ (1,000,000.00)</td> </tr> <tr> <td>Transfer to ADHE for FY 2021 Spring funding 2/17/21 Concurrent Challenge</td> <td style="text-align: right;">\$ (1,500,000.00)</td> <td></td> <td style="text-align: right;">\$ (1,500,000.00)</td> </tr> </tbody> </table>		Transfer	Interest	Total	<b>Academic Challenge Scholarship Trust</b>	<b>\$ 23,324,482.67</b>	<b>\$ 3,192,204.69</b>	<b>\$ 26,516,687.36</b>	February 2020 funding - 3/15/20	\$ 7,201,704.36	\$ 31,852.41	\$ 7,233,556.77	March 2020 funding - 4/15/20	\$ 7,381,962.30	\$ 4,535.00	\$ 7,386,497.30	April 2020 funding - 5/15/20	\$ 8,312,074.87	\$ 6,237.77	\$ 8,318,312.64	May 2020 funding - 6/15/20	\$ 8,609,833.84	\$ 9,272.55	\$ 8,619,106.39	June 2020 funding - 7/15/20	\$ 14,969,860.90	\$ 14,602.28	\$ 14,984,463.18	June 2020 Final Adjustments funding - 10/22/20	\$ (185,527.29)		\$ (185,527.29)	Transfer excess net proceeds to Workforce Trust Fund 10/22/20	\$ (16,265,393.95)		\$ (16,265,393.95)	July 2020 funding - 8/15/20	\$ 8,573,004.11	\$ 19,569.82	\$ 8,592,573.93	August 2020 funding - 9/15/20	\$ 7,837,402.04	\$ 25,515.40	\$ 7,862,917.44	Transfer to ADHE for FY 2021 Fall Funding 9/24/20	\$ (38,000,000.00)		\$ (38,000,000.00)	September 2020 funding - 10/15/20	\$ 7,667,415.02	\$ 24,161.97	\$ 7,691,576.99	October 2020 funding - 11/15/20	\$ 8,435,196.50	\$ 12,140.50	\$ 8,447,337.00	November 2020 funding - 12/15/20	\$ 8,196,802.93	\$ 10,795.95	\$ 8,207,598.88	December 2020 funding - 1/15/21	\$ 5,956,009.67	\$ 14,912.86	\$ 5,970,922.53	January 2021 funding - 2/15/21	\$ 10,896,695.24	\$ 16,497.08	\$ 10,913,192.32	Transfer to ADHE for FY2021 Spring Funding 2/17/20	\$ (30,000,000.00)		\$ (30,000,000.00)	February 2021 funding - 3/15/21	\$ 5,577,047.59	\$ 15,323.36	\$ 5,592,370.95	<b>Workforce Challenge Scholarship Trust</b>	<b>\$ 82,474,411.86</b>		<b>\$ 82,474,411.86</b>	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 FY 2019 fall funding 1/7/18 Workforce Challenge	\$ (1,000,000.00)		\$ (1,000,000.00)	FY 2019 Excess Net Proceeds transferred from Edu Trust 9/5/19	\$ 3,904,288.48		\$ 3,904,288.48	Transfer excess net proceeds to Workforce Trust Fund 11/08/19	\$ 23,639,040.28		\$ 23,639,040.28	Transfer to ADHE for FY 2020 fall funding 4/24/20 Concurrent Challenge	\$ (1,000,000.00)		\$ (1,000,000.00)	Transfer to ADHE for FY 2020 spring funding 7/24/20 Concurrent Challenge	\$ (400,000.00)		\$ (400,000.00)	ADHE Refund from FY 2020 / 8/14/20	\$ 4,466,023.18		\$ 4,466,023.18	Transfer excess net proceeds to Workforce Trust Fund 10/22/20	\$ 16,265,393.95		\$ 16,265,393.95	Transfer to ADHE for FY 2021 Fall funding 11/10/20 Concurrent Challenge	\$ (1,000,000.00)		\$ (1,000,000.00)	Transfer to ADHE for FY 2021 Spring funding 2/17/21 Concurrent Challenge	\$ (1,500,000.00)		\$ (1,500,000.00)
	Transfer	Interest	Total																																																																																																																																		
<b>Academic Challenge Scholarship Trust</b>	<b>\$ 23,324,482.67</b>	<b>\$ 3,192,204.69</b>	<b>\$ 26,516,687.36</b>																																																																																																																																		
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March 2020 funding - 4/15/20	\$ 7,381,962.30	\$ 4,535.00	\$ 7,386,497.30																																																																																																																																		
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June 2020 Final Adjustments funding - 10/22/20	\$ (185,527.29)		\$ (185,527.29)																																																																																																																																		
Transfer excess net proceeds to Workforce Trust Fund 10/22/20	\$ (16,265,393.95)		\$ (16,265,393.95)																																																																																																																																		
July 2020 funding - 8/15/20	\$ 8,573,004.11	\$ 19,569.82	\$ 8,592,573.93																																																																																																																																		
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November 2020 funding - 12/15/20	\$ 8,196,802.93	\$ 10,795.95	\$ 8,207,598.88																																																																																																																																		
December 2020 funding - 1/15/21	\$ 5,956,009.67	\$ 14,912.86	\$ 5,970,922.53																																																																																																																																		
January 2021 funding - 2/15/21	\$ 10,896,695.24	\$ 16,497.08	\$ 10,913,192.32																																																																																																																																		
Transfer to ADHE for FY2021 Spring Funding 2/17/20	\$ (30,000,000.00)		\$ (30,000,000.00)																																																																																																																																		
February 2021 funding - 3/15/21	\$ 5,577,047.59	\$ 15,323.36	\$ 5,592,370.95																																																																																																																																		
<b>Workforce Challenge Scholarship Trust</b>	<b>\$ 82,474,411.86</b>		<b>\$ 82,474,411.86</b>																																																																																																																																		
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 FY 2019 fall funding 1/7/18 Workforce Challenge	\$ (1,000,000.00)		\$ (1,000,000.00)																																																																																																																																		
FY 2019 Excess Net Proceeds transferred from Edu Trust 9/5/19	\$ 3,904,288.48		\$ 3,904,288.48																																																																																																																																		
Transfer excess net proceeds to Workforce Trust Fund 11/08/19	\$ 23,639,040.28		\$ 23,639,040.28																																																																																																																																		
Transfer to ADHE for FY 2020 fall funding 4/24/20 Concurrent Challenge	\$ (1,000,000.00)		\$ (1,000,000.00)																																																																																																																																		
Transfer to ADHE for FY 2020 spring funding 7/24/20 Concurrent Challenge	\$ (400,000.00)		\$ (400,000.00)																																																																																																																																		
ADHE Refund from FY 2020 / 8/14/20	\$ 4,466,023.18		\$ 4,466,023.18																																																																																																																																		
Transfer excess net proceeds to Workforce Trust Fund 10/22/20	\$ 16,265,393.95		\$ 16,265,393.95																																																																																																																																		
Transfer to ADHE for FY 2021 Fall funding 11/10/20 Concurrent Challenge	\$ (1,000,000.00)		\$ (1,000,000.00)																																																																																																																																		
Transfer to ADHE for FY 2021 Spring funding 2/17/21 Concurrent Challenge	\$ (1,500,000.00)		\$ (1,500,000.00)																																																																																																																																		

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

**OFFICE OF THE ARKANSAS LOTTERY MINORITY AND FEMALE OWNED DIVERSITY COMPLIANCE REPORT  
February 1 through February 28, 2021**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>February 2021</b>	<b>FY 2021 Total</b>
Government Supply Services	Office Furniture/Supplies	CMBE	\$ 62.14	\$ 2,374.73
A-Absolute Moving & Hauling	Moving Office Furniture	CMBE	\$ 734.26	\$ 1,753.63
<b>Totals</b>			<b>\$ 796.40</b>	<b>\$ 4,128.36</b>

**INTRALOT MINORITY AND FEMALE OWNED DIVERSITY COMPLIANCE REPORT  
February 1 through February 28, 2021**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>February 2021</b>	<b>FY 2021 Total</b>
J Kelly Referrals and Informations Services	Call Center/Information Services	CMBE	\$ 14,000.00	\$ 119,000.00
<b>Totals</b>			<b>\$ 14,000.00</b>	<b>\$ 119,000.00</b>

**SCIENTIFIC GAMES MINORITY AND FEMALE OWNED DIVERSITY COMPLIANCE REPORT  
February 1 through February 28, 2021**

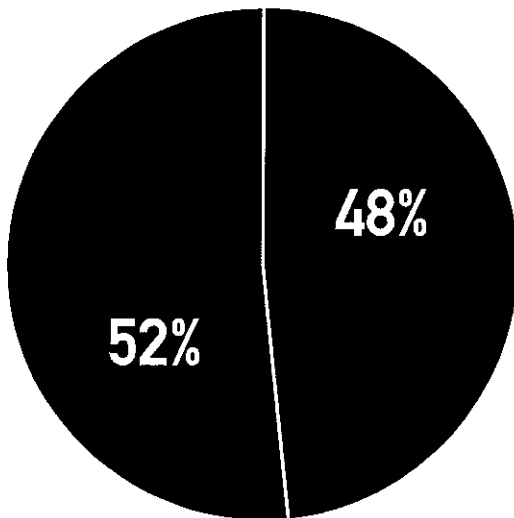
<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>February 2021</b>	<b>FY 2021 Total</b>
Expedited Transportation Service	Transportation Services	DBE	\$ 6,018.96	\$ 12,737.96
Pure Cleaning Services	Janitorial Servies	MBE	\$ -	\$ 7,256.30
Ingage, LLC	Fulfillment Services and Prizes	WBE	\$ 99,483.91	\$ 260,043.34
<b>Totals</b>			<b>\$ 105,502.87</b>	<b>\$ 280,037.60</b>

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Unclaimed Prizes**  
**February 28, 2021**

	Monthly	Year to Date
Reserve Balance July 1, 2020		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 1,913,085.82	5,615,097.93
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	1,913,085.82	5,615,097.93
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
Reserve Balance February 28, 2021		\$6,615,097.93

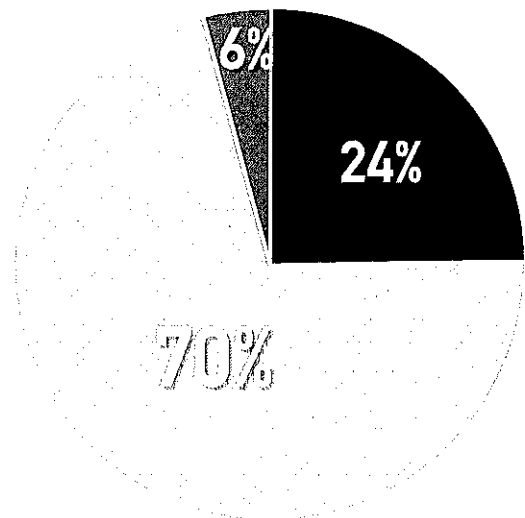
**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
FEBRUARY 2021**

**GENDER**



- FEMALE
- MALE

**RACE**



- BLACK
- CAUCASIAN
- OTHER MINORITIES

▼ **TOTAL NUMBER OF EMPLOYEES AS OF FEBRUARY 2021: 66** ▼

**GENDER**

Females - **32**

Males - **34**

**RACE**

Black - **16** ----- Female - **9** Male - **7**

Caucasian - **46** ----- Female - **22** Male - **24**

Other - **4** ----- Female - **1** Male - **3**



STATE OF ARKANSAS  
Department of Finance and Administration

OFFICE OF THE ARKANSAS LOTTERY

Post Office Box 3238  
Little Rock, Arkansas 72203-3238  
Phone: (501) 683-2010

William C. Miller, CPA, CGMA  
Internal Auditor

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<u>Audit:</u>	2021-22 Cash Management & Receipts	<u>Report Date:</u> February 5, 2021
<u>Report Distribution:</u>	Larry Walther, Secretary of Department of Finance and Administration	<u>For Fiscal Year:</u> June 30, 2021
	<u>Office of the Arkansas Lottery</u> Eric Hagler, OAL Director Jerry Fetzer, Chief Fiscal Office Brent Standridge, Chief Legal Counsel Timothy Parrish, Treasurer	

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### Introduction

A scheduled audit of the Cash Management & Receipts process for fiscal year ending June 30, 2021 has been completed by Internal Audit (IA). The audit was conducted in conformance with the *International Standards of the Professional Practice of Internal Auditing*, upon which Office of the Arkansas Lottery (OAL) Internal Audit policies and procedures are based.

### Background

The vast majority of OAL cash receipts occur through the Retailer Settlement & Collection process. On a weekly basis, the OAL Treasury function utilizes information and reports from the Intralot system to determine the amount due from or due to each individual OAL retailer. The OAL requires retailers to establish a separate bank account for lottery-related transactions, and the net amounts due from retailers are electronically swept from these accounts on a weekly basis. This process was last subject to an internal audit as part of the Fiscal Year 2019 Internal Audit Plan (Project Number 2019-23).

A lower volume of cash receipts are processed manually at OAL Headquarters. Typically, these receipts are in form of a check received via mail, though there are some instances where checks are delivered to an OAL employee. All payment items, whether received through the mail or in person by an OAL employee, must be logged by the Security function in two electronic logs. One log is the Mail Check Log used by Treasury and the other is the Licensing Check Log used by Security and Licensing. The Mail Check Log provides supporting documentation for deposits. The Licensing Check Log provides supporting documentation for the licensing function as well as returned checks. Once logged, these items are given to employees in Licensing to be applied to the various vendor accounts for bonds and fees. Licensing then highlights any checks that need to be returned on the Licensing Vendor Log, and returns the checks to Security. After this process is complete, the checks are forwarded to the Treasury function for processing via remote deposit scanning equipment that only Treasury employees can access. After the deposits are made, the Accounting function verifies the deposit by consulting the Bank of the Ozarks online banking activity. Additionally, the Accounting function ensures that the deposits were processed to the appropriate account and restricted funds are accounted for appropriately.



**Purpose, Objectives, and Scope**

The overall purpose, objectives, and scope of the audit were as follows:

Purpose

The purpose of this audit was to ensure that the cash receipts process demonstrates appropriate safeguard of OAL assets through timely tracking and deposit, including segregation of duties.

Objective

Ensure appropriate controls and procedures are in place to assure that cash receipts (other than retailer sweeps) are appropriately tracked, safeguarded, and deposited into the OAL's bank accounts.

Scope

The procedures performed included inspection of internally maintained cash and check deposit logs (including logs independently maintained by the Treasury and Security functions), inspection of bank statements, and inspection of cash deposit documentation. Due to the fact that fiscal year 2021 had not yet been completed as of the finalization of fieldwork for this audit, only transactions or events that had occurred as of the date through which testing items were selected were considered within its scope. As such, no supporting documents generated after December 31, 2020 were selected for testing.

**Observations**

IA has no observations or recommendations to report:

William C Miller

William C Miller, Internal Auditor

**DFA/Office of the Arkansas Lottery**  
**Instant & Fast Play Games**  
**February 2021**

Sales for the following instant games began February 2, 2021. No ending dates have been determined for these games.

**\$1 Neon 7's**

**\$2 Jumbo Bucks Supreme**

**\$3 Extra! Extra! Crossword**

**\$5 Gold Rush**

**\$10 Power 10's**

Sales for the following Fast Play games began February 1, 2021. No ending dates have been determined for these games.

**\$1 Beat the Dealer**

**\$2 Lucky Clover**