



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>

August 9, 2017

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

RE: Monthly Disclosure Reports

Dear Governor Hutchinson:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, please accept the attached monthly disclosure reports for the month of July 2017, pursuant to A.C.A. §§ 23-115-206 and 23-115-302. The reports contain the following information:

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

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

Respectfully submitted,

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

Bishop Woosley  
Director

Enclosures

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



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

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August 9, 2017

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

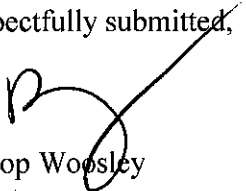
Gentlemen:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, please accept the attached monthly disclosure reports for the month of July 2017, pursuant to A.C.A. §§ 23-115-206 and 23-115-302. The reports contain the following information:

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Respectfully submitted,

  
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**  
**July 1 through July 30, 2017**

On July 19, 2017, the Department of Finance and Administration Office of the Arkansas Lottery (OAL) and Scientific Games International (SGI) entered into a Non-Exclusive Licensing Agreement. The Non-Exclusive Licensing Agreement grants to 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-412 "POPEYE®" (the "Game"). All rights not specifically granted to the OAL are reserved by SGI and/or Licensor. The OAL acknowledges Licensor as a third party beneficiary under the agreement with respect solely to the Game. The following information is provided:

- a. Date of Agreement: July 19, 2017.
- 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 Popeye®.

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Debt Set-Off and Retailer Losses  
July 2017**

**1. Debt Set-Off:**

a.	Arkansas Department of Finance and Administration	\$3,334.35
b.	Arkansas Office of Child Support Enforcement - Child Support	<u>\$ 0.00</u>
	Total Debt Set-Off:	\$3,334.35

**2. Retailer losses for period July 1 through July 31, 2017:**     None.

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
RETAIL SALES BY COUNTY**

**July 1 through July 31, 2017**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$7,997.50	\$7,026.00	\$16,972.00	\$484,462.00	\$2,034.00	\$13,117.00	\$12,815.00	\$21,998.00	\$566,421.50
ASHLEY	\$10,515.50	\$10,375.00	\$7,577.00	\$111,942.00	\$1,234.00	\$5,974.00	\$3,400.00	\$12,835.00	\$163,852.50
BAXTER	\$4,004.50	\$1,911.00	\$15,990.00	\$334,064.00	\$6,546.00	\$18,367.00	\$17,491.00	\$29,870.00	\$428,243.50
BENTON	\$6,020.50	\$2,807.50	\$31,994.00	\$1,042,400.00	\$11,174.00	\$87,818.00	\$48,095.00	\$132,286.00	\$1,362,595.00
BOONE	\$1,740.00	\$2,289.00	\$14,369.00	\$402,189.00	\$2,410.00	\$16,519.00	\$9,311.00	\$25,219.00	\$474,046.00
BRADLEY	\$1,387.50	\$2,737.50	\$3,091.00	\$117,600.00	\$718.00	\$2,624.00	\$3,403.00	\$7,073.00	\$138,634.00
CALHOUN	\$5,037.50	\$1,221.50	\$1,725.00	\$43,800.00	\$408.00	\$1,830.00	\$1,519.00	\$2,359.00	\$57,900.00
CARROLL	\$340.00	\$610.00	\$7,474.00	\$216,711.00	\$1,514.00	\$9,708.00	\$5,760.00	\$14,884.00	\$257,001.00
CHICOT	\$8,317.00	\$5,979.00	\$3,159.00	\$152,988.00	\$3,968.00	\$26,365.00	\$9,041.00	\$47,321.00	\$257,138.00
CLARK	\$2,621.50	\$1,512.00	\$21,127.00	\$307,806.00	\$1,700.00	\$10,285.00	\$6,880.00	\$16,408.00	\$368,339.50
CLAY	\$303.00	\$63.50	\$1,888.00	\$94,200.00	\$436.00	\$2,739.00	\$2,415.00	\$5,064.00	\$107,108.50
CLEBURNE	\$1,450.50	\$595.00	\$17,924.00	\$292,590.00	\$3,014.00	\$15,721.00	\$19,849.00	\$23,151.00	\$374,294.50
CLEVELAND	\$430.50	\$377.50	\$876.00	\$46,200.00	\$168.00	\$1,125.00	\$1,762.00	\$2,005.00	\$52,944.00
COLUMBIA	\$12,740.00	\$7,607.50	\$15,688.00	\$289,446.00	\$2,244.00	\$7,418.00	\$4,757.00	\$13,934.00	\$353,834.50
CONWAY	\$4,899.50	\$1,318.00	\$19,172.00	\$431,220.00	\$1,860.00	\$13,615.00	\$14,830.00	\$22,313.00	\$509,227.50
CRAIGHEAD	\$9,067.00	\$4,896.50	\$39,052.00	\$1,183,756.00	\$5,672.00	\$44,167.00	\$33,136.00	\$62,674.00	\$1,382,420.50
CRAWFORD	\$1,367.00	\$475.50	\$11,442.00	\$317,579.00	\$3,074.00	\$23,452.00	\$21,320.00	\$36,793.00	\$415,502.50
CRITTENDEN	\$21,511.00	\$12,293.50	\$9,653.00	\$516,909.00	\$5,278.00	\$39,666.00	\$15,873.00	\$65,720.00	\$686,903.50
CROSS	\$3,681.50	\$2,135.50	\$16,457.00	\$221,809.00	\$850.00	\$6,217.00	\$5,020.00	\$10,593.00	\$266,763.00
DALLAS	\$1,073.00	\$533.00	\$3,636.00	\$135,337.00	\$500.00	\$3,125.00	\$4,426.00	\$5,597.00	\$154,227.00
DESHA	\$2,798.00	\$1,904.50	\$7,908.00	\$199,800.00	\$984.00	\$9,403.00	\$7,732.00	\$14,623.00	\$245,152.50
DREW	\$1,684.00	\$1,328.00	\$6,183.00	\$190,510.00	\$1,838.00	\$7,493.00	\$6,173.00	\$13,986.00	\$229,195.00
FAULKNER	\$11,947.50	\$5,503.50	\$54,237.00	\$1,179,897.00	\$8,136.00	\$53,261.00	\$60,146.00	\$86,182.00	\$1,459,310.00
FRANKLIN	\$509.00	\$406.00	\$11,171.00	\$166,990.00	\$1,068.00	\$8,219.00	\$6,374.00	\$13,440.00	\$208,177.00
FULTON	\$270.00	\$191.00	\$5,678.00	\$62,911.00	\$486.00	\$2,554.00	\$1,622.00	\$4,175.00	\$77,887.00
GARLAND	\$7,746.00	\$4,704.50	\$42,340.00	\$865,752.00	\$11,414.00	\$61,437.00	\$71,458.00	\$94,720.00	\$1,159,571.50
GRANT	\$719.50	\$216.50	\$6,665.00	\$126,600.00	\$1,192.00	\$6,035.00	\$7,544.00	\$9,505.00	\$158,477.00
GREENE	\$832.50	\$812.00	\$19,518.00	\$502,024.00	\$3,068.00	\$20,856.00	\$13,067.00	\$29,020.00	\$589,197.50
HEMPSTEAD	\$34,167.00	\$13,139.50	\$8,367.00	\$364,790.00	\$1,156.00	\$8,236.00	\$4,698.00	\$12,527.00	\$447,080.50
HOT SPRING	\$1,533.50	\$656.00	\$13,133.00	\$316,114.00	\$2,342.00	\$12,973.00	\$13,431.00	\$18,371.00	\$378,553.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
RETAIL SALES BY COUNTY**

**July 1 through July 31, 2017**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$21,115.50	\$7,349.00	\$19,579.00	\$201,455.00	\$1,016.00	\$6,709.00	\$4,016.00	\$8,169.00	\$269,408.50
INDEPENDENCE	\$3,931.00	\$806.00	\$40,111.00	\$483,247.00	\$2,174.00	\$15,619.00	\$14,197.00	\$26,193.00	\$586,278.00
IZARD	\$387.50	\$77.00	\$6,597.00	\$77,701.00	\$486.00	\$3,904.00	\$6,153.00	\$6,781.00	\$102,086.50
JACKSON	\$12,016.00	\$5,975.00	\$14,246.00	\$287,591.00	\$1,816.00	\$8,750.00	\$9,955.00	\$12,954.00	\$353,303.00
JEFFERSON	\$40,792.00	\$32,605.00	\$53,036.00	\$1,485,551.00	\$8,444.00	\$41,980.00	\$44,537.00	\$64,169.00	\$1,771,114.00
JOHNSON	\$467.50	\$245.00	\$4,500.00	\$231,615.00	\$1,084.00	\$7,635.00	\$10,716.00	\$13,199.00	\$269,461.50
LAFAYETTE	\$7,809.00	\$2,663.00	\$1,663.00	\$66,300.00	\$920.00	\$1,640.00	\$1,104.00	\$2,960.00	\$85,059.00
LAWRENCE	\$1,049.50	\$440.50	\$10,349.00	\$210,900.00	\$906.00	\$5,303.00	\$5,101.00	\$8,848.00	\$242,897.00
LEE	\$2,749.50	\$3,348.50	\$590.00	\$71,592.00	\$302.00	\$2,979.00	\$968.00	\$3,864.00	\$86,393.00
LINCOLN	\$277.50	\$429.00	\$7,015.00	\$106,547.00	\$820.00	\$3,661.00	\$5,058.00	\$5,898.00	\$129,705.50
LITTLE RIVER	\$3,785.50	\$3,382.50	\$2,895.00	\$101,816.00	\$650.00	\$4,763.00	\$2,178.00	\$6,196.00	\$125,666.00
LOGAN	\$920.00	\$214.50	\$13,602.00	\$194,500.00	\$1,118.00	\$9,461.00	\$6,203.00	\$14,198.00	\$240,216.50
LONOKE	\$11,221.00	\$5,094.50	\$36,493.00	\$850,444.00	\$6,352.00	\$38,209.00	\$40,185.00	\$60,383.00	\$1,048,381.50
MADISON	\$73.50	\$0.50	\$641.00	\$74,344.00	\$668.00	\$5,365.00	\$2,560.00	\$7,646.00	\$91,298.00
MARION	\$2,392.00	\$558.50	\$6,643.00	\$151,549.00	\$2,282.00	\$7,283.00	\$7,618.00	\$11,899.00	\$190,224.50
MILLER	\$20,897.50	\$11,365.00	\$10,845.00	\$501,089.00	\$2,978.00	\$16,662.00	\$8,776.00	\$23,066.00	\$595,678.50
MISSISSIPPI	\$40,389.50	\$18,427.00	\$14,760.00	\$451,428.00	\$2,016.00	\$15,001.00	\$9,544.00	\$23,850.00	\$575,415.50
MONROE	\$2,313.50	\$1,339.50	\$2,956.00	\$151,221.00	\$646.00	\$4,885.00	\$4,149.00	\$9,002.00	\$176,512.00
MONTGOMERY	\$21.00	\$1.00	\$2,548.00	\$32,563.00	\$542.00	\$2,929.00	\$2,046.00	\$4,353.00	\$45,003.00
NEVADA	\$1,755.50	\$2,168.50	\$2,130.00	\$144,297.00	\$1,008.00	\$4,052.00	\$2,351.00	\$5,945.00	\$163,707.00
NEWTON	\$46.00	\$85.00	\$7,949.00	\$49,939.00	\$186.00	\$1,787.00	\$2,138.00	\$2,433.00	\$64,563.00
OUACHITA	\$10,915.50	\$5,634.50	\$13,309.00	\$519,910.00	\$1,636.00	\$10,505.00	\$8,957.00	\$17,659.00	\$588,526.00
PERRY	\$679.00	\$617.50	\$1,244.00	\$97,800.00	\$468.00	\$3,479.00	\$3,723.00	\$5,434.00	\$113,444.50
PHILLIPS	\$11,353.00	\$4,833.50	\$1,180.00	\$169,353.00	\$2,188.00	\$16,544.00	\$6,435.00	\$29,232.00	\$241,118.50
PIKE	\$1,035.50	\$84.00	\$11,543.00	\$102,060.00	\$850.00	\$4,442.00	\$4,038.00	\$7,508.00	\$131,560.50
POINSETT	\$4,773.50	\$1,288.50	\$12,605.00	\$348,177.00	\$1,380.00	\$10,592.00	\$9,374.00	\$16,903.00	\$405,093.00
POLK	\$650.00	\$37.00	\$8,468.00	\$120,360.00	\$1,356.00	\$8,053.00	\$5,481.00	\$13,036.00	\$157,441.00
POPE	\$3,940.00	\$1,988.00	\$23,158.00	\$682,883.00	\$5,074.00	\$32,447.00	\$30,104.00	\$51,183.00	\$830,777.00
PRAIRIE	\$2,217.50	\$1,371.00	\$9,262.00	\$159,127.00	\$476.00	\$4,291.00	\$3,749.00	\$7,638.00	\$188,131.50
PULASKI	\$101,654.00	\$89,359.50	\$242,340.00	\$5,918,338.00	\$46,708.00	\$246,128.00	\$259,618.00	\$372,028.00	\$7,276,173.50
RANDOLPH	\$73.50	\$535.00	\$3,616.00	\$215,100.00	\$1,472.00	\$8,340.00	\$3,763.00	\$9,541.00	\$242,440.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
RETAIL SALES BY COUNTY**

**July 1 through July 31, 2017**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$11,005.50	\$8,356.00	\$3,459.00	\$272,305.00	\$1,580.00	\$11,001.00	\$6,440.00	\$19,206.00	\$333,352.50
SALINE	\$8,905.50	\$5,648.00	\$57,291.00	\$1,103,710.00	\$10,142.00	\$55,397.00	\$58,020.00	\$85,377.00	\$1,384,490.50
SCOTT	\$98.00	\$34.00	\$4,398.00	\$81,638.00	\$984.00	\$4,290.00	\$1,701.00	\$6,787.00	\$99,930.00
SEARCY	\$124.00	\$438.00	\$717.00	\$92,564.00	\$526.00	\$2,716.00	\$2,914.00	\$5,091.00	\$105,090.00
SEBASTIAN	\$13,137.50	\$5,197.00	\$19,976.00	\$746,174.00	\$11,016.00	\$66,412.00	\$47,642.00	\$98,891.00	\$1,008,445.50
SEVIER	\$1,760.50	\$797.00	\$2,251.00	\$111,722.00	\$926.00	\$4,970.00	\$2,359.00	\$7,694.00	\$132,479.50
SHARP	\$834.50	\$523.00	\$17,919.00	\$225,387.00	\$1,442.00	\$8,543.00	\$8,313.00	\$13,399.00	\$276,360.50
STONE	\$4,394.50	\$2,330.00	\$16,745.00	\$83,222.00	\$1,386.00	\$3,887.00	\$7,269.00	\$6,891.00	\$126,124.50
UNION	\$46,100.00	\$23,428.00	\$28,466.00	\$759,787.00	\$4,410.00	\$21,355.00	\$12,921.00	\$35,108.00	\$931,575.00
VAN BUREN	\$858.00	\$788.50	\$8,153.00	\$167,450.00	\$1,328.00	\$7,102.00	\$6,690.00	\$12,185.00	\$204,554.50
WASHINGTON	\$13,548.00	\$5,330.00	\$30,218.00	\$1,434,422.00	\$12,806.00	\$86,863.00	\$59,697.00	\$127,784.00	\$1,770,668.00
WHITE	\$6,420.00	\$5,678.50	\$59,143.00	\$1,057,125.00	\$6,022.00	\$34,300.00	\$38,426.00	\$51,501.00	\$1,258,615.50
WOODRUFF	\$3,577.00	\$2,609.00	\$1,066.00	\$93,168.00	\$538.00	\$3,160.00	\$2,741.00	\$4,768.00	\$111,627.00
YELL	\$1,466.00	\$139.00	\$20,980.00	\$218,691.00	\$1,340.00	\$8,117.00	\$7,904.00	\$12,734.00	\$271,371.00

<b>GRAND TOTALS</b>	<b>*Cash 3</b>	<b>*Cash 4</b>	<b>*Fast Play</b>	<b>*Instant Settlements</b>	<b>*Lucky for Life</b>	<b>*Mega Millions</b>	<b>*Natural State Jackpot</b>	<b>*Powerball</b>	<b>*Total Sales</b>
	\$590,642.00	\$359,244.50	\$1,291,121.00	\$31,424,558.00	\$238,954.00	\$1,411,830.00	\$1,221,180.00	\$2,194,230.00	\$38,731,759.50

\*Estimates

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Total Number of Active Retailers  
July 2017**

There were 1,934 active retailers as of July 31, 2017.



**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Statement of Net Position**  
**July 31, 2017**

**ASSETS**

<b>Current assets:</b>	
Cash and cash equivalents	\$ 3,885,581.28
Restricted assets:	
Cash and cash equivalents	54,059,609.85
Accounts receivable	11,633,200.08
Prepaid items	155,942.78
Total current assets	<u>69,734,333.99</u>
<b>Non-current assets:</b>	
Restricted assets:	
Cash and cash equivalents	20,159,300.03
Deposits with Multi-State Lottery Association	1,948,070.69
Capital assets (Net of accumulated depreciation)	376,061.68
Total non-current assets	<u>22,483,432.40</u>
 Total assets	 92,217,766.39
<b>Deferred outflows of resources:</b>	
Related to pension	<u>1,130,744.92</u>
 Total assets and deferred outflows of resources	 <u>\$ 93,348,511.31</u>

**LIABILITIES**

<b>Current liabilities:</b>	
Accounts payable	\$ 77,867.76
Prizes payable	17,748,609.02
Accrued and other liabilities	2,648,725.08
Due to other funds of the State	591,951.92
Payable to ADHE for Education Trust Account	52,177,290.75
Compensated absences	335,454.95
Unearned revenue	374,642.24
Total current liabilities	<u>73,954,541.72</u>
<b>Long-Term liabilities:</b>	
Net other post employment benefits	2,497,980.19
Net pension liability	4,144,582.00
Total long-term liabilities	<u>6,642,562.19</u>
 Total liabilities	 80,597,103.91
<b>Deferred inflows of resources:</b>	
Related to pension	<u>665,543.75</u>
 Total liabilities and deferred inflows of resources	 <u>81,262,647.66</u>

**NET POSITION**

<b>Net position:</b>	
Invested in capital assets	376,061.68
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer fidelity reserve	159,300.03
Retailer bond reserve	380,512.55
Deposits with Multi-State Lottery Association	1,948,070.69
Unclaimed prizes reserve	1,882,319.10
Unrestricted (deficit)	<u>(12,660,400.40)</u>
 Total net position	 <u>12,085,863.65</u>
 Total liabilities, deferred inflows of resources and net position	 <u>\$ 93,348,511.31</u>

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Statement of Revenues, Expenses and Change in Net Position**  
**For Month Ended July 31, 2017**

	Current month	Year to date
<b>Operating revenues:</b>		
Instant ticket sales	\$ 29,569,210.00	\$ 29,569,210.00
Online ticket sales	7,254,473.50	7,254,473.50
Retailer application, fidelity, bond and service fees	59,808.11	59,808.11
Other revenue	<u>1,905.20</u>	<u>1,905.20</u>
 Total operating revenues	 <u>36,885,396.81</u>	 <u>36,885,396.81</u>
 <b>Operating expenses:</b>		
Instant game prizes	20,607,428.48	20,607,428.48
Online game prizes	3,976,365.98	3,976,365.98
Retailer commissions	2,057,693.06	2,057,693.06
Gaming contract costs	1,718,949.99	1,718,949.99
Compensation and benefits	421,368.28	421,368.28
Marketing, advertising and promotions	640,599.90	640,599.90
General and administrative expenses	301,213.29	301,213.29
Services provided by Arkansas Department of Higher Education	36,666.00	36,666.00
Audit services provided by Arkansas Legislative Audit	11,250.00	11,250.00
Legal and professional services	0.00	0.00
Depreciation	<u>8,226.47</u>	<u>8,226.47</u>
 Total operating expenses	 <u>29,779,761.45</u>	 <u>29,779,761.45</u>
 Operating income (1)	 7,105,635.36	 7,105,635.36
 <b>Non-operating revenue:</b>		
Interest income	<u>92,244.83</u>	<u>92,244.83</u>
 Income before transfers	 7,197,880.19	 7,197,880.19
 <b>Transfers to:</b>		
Education Trust Account (2)	<u>(6,661,762.99)</u>	<u>(6,661,762.99)</u>
 Change in net position	 <u>\$ 536,117.20</u>	 536,117.20
 Total net position - beginning		 11,549,746.45
Total net position - ending		<u>\$ 12,085,863.65</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 Month Ended July 31, 2017**

	<b>CM Actual</b>	<b>%</b>	<b>CM Budget</b>	<b>%</b>	<b>CM Variance</b>	<b>YTD Actual</b>	<b>%</b>	<b>YTD Budget</b>	<b>%</b>	<b>YTD Variance</b>
<b>Operating revenues:</b>										
Instant games	\$ 29,569,210.00	80.17	\$ 28,320,000.00	80.76	\$ 1,249,210.00	\$ 29,569,210.00	80.17	\$ 28,320,000.00	80.76	\$ 1,249,210.00
Online games	7,254,473.50	19.67	6,654,000.00	18.98	600,473.50	7,254,473.50	19.67	6,654,000.00	18.98	600,473.50
Retailer fees	59,808.11	0.16	90,000.00	0.26	(30,191.89)	59,808.11	0.16	90,000.00	0.26	(30,191.89)
Other revenue	<u>1,905.20</u>	0.01	<u>1,000.00</u>	0.00	<u>905.20</u>	<u>1,905.20</u>	0.01	<u>1,000.00</u>	0.00	<u>905.20</u>
Total operating revenues	<u>36,885,396.81</u>	100.00	<u>35,065,000.00</u>	100.00	<u>1,820,396.81</u>	<u>36,885,396.81</u>	100.00	<u>35,065,000.00</u>	100.00	<u>1,820,396.81</u>
<b>Operating expenses:</b>										
Instant game prizes	20,607,428.48	55.87	20,577,421.00	58.68	30,007.48	20,607,428.48	55.87	20,577,421.00	58.68	30,007.48
Online game prizes	3,976,365.98	10.78	3,273,219.00	9.33	703,146.98	3,976,365.98	10.78	3,273,219.00	9.33	703,146.98
Retailer commissions	2,057,693.06	5.58	1,976,000.00	5.64	81,693.06	2,057,693.06	5.58	1,976,000.00	5.64	81,693.06
Gaming contract costs	1,718,949.99	4.66	1,530,000.00	4.36	188,949.99	1,718,949.99	4.66	1,530,000.00	4.36	188,949.99
Compensation & benefits	421,368.28	1.14	385,000.00	1.10	36,368.28	421,368.28	1.14	385,000.00	1.10	36,368.28
Marketing, advertising & promotions	640,599.90	1.74	542,000.00	1.55	98,599.90	640,599.90	1.74	542,000.00	1.55	98,599.90
General and administrative expenses	301,213.29	0.82	343,000.00	0.98	(41,786.71)	301,213.29	0.82	343,000.00	0.98	(41,786.71)
Services provided by other agencies	47,916.00	0.13	63,000.00	0.18	(15,084.00)	47,916.00	0.13	63,000.00	0.18	(15,084.00)
Legal and professional service	-	-	500.00	0.00	(500.00)	-	0.00	500.00	0.00	(500.00)
Depreciation	<u>8,226.47</u>	0.02	<u>11,000.00</u>	0.03	<u>(2,773.53)</u>	<u>8,226.47</u>	0.02	<u>11,000.00</u>	0.03	<u>(2,773.53)</u>
Total operating expenses	<u>29,779,761.45</u>	80.74	<u>28,701,140.00</u>	81.85	<u>1,078,621.45</u>	<u>29,779,761.45</u>	80.74	<u>28,701,140.00</u>	81.85	<u>1,078,621.45</u>
Operating income	7,105,635.36	19.26	6,363,860.00	18.15	741,775.36	7,105,635.36	19.26	6,363,860.00	18.15	741,775.36
<b>Non-operating revenue:</b>										
Interest income	<u>92,244.83</u>	0.25	<u>42,000.00</u>	0.12	<u>50,244.83</u>	<u>92,244.83</u>	0.25	<u>42,000.00</u>	0.12	<u>50,244.83</u>
Income before transfers	<u>\$ 7,197,880.19</u>	19.51	<u>\$ 6,405,860.00</u>	18.27	<u>\$ 792,020.19</u>	<u>\$ 7,197,880.19</u>	19.51	<u>\$ 6,405,860.00</u>	18.27	<u>\$ 792,020.19</u>

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Net Proceeds Transfer to Ed Trust Computation  
Modified Cash Basis  
For Month Ended July 31, 2017**

	Year to date			
<b>Operating revenues:</b>				
Instant ticket SETTLEMENTS	\$ 31,425,200.00			
Online ticket sales	7,254,473.50			
Retailer application, fidelity and service fees	59,808.11			
Other revenue	<u>1,905.20</u>			
 Total operating revenues	 <u>38,741,386.81</u>			
 <b>Operating expenses:</b>				
Instant game prizes SETTLEMENTS	22,161,641.00			
Online game prizes	3,976,365.98			
Retailer commissions	2,057,693.06			
Gaming contract costs	1,718,949.99			
Compensation and benefits	421,368.28			
Marketing, advertising and promotions	640,599.90			
General and administrative expenses	301,213.29			
Services provided by ADHE	36,666.00			
Services provided by Legislative Audit Agency	11,250.00			
Legal and professional services	0.00			
Current year Capital Asset cost				
Total operating expenses	<u>31,325,747.50</u>			
 Change in net proceeds from operations	 7,415,639.31			
 <b>Nonoperating revenue (expense):</b>				
Interest Income	92,244.83			
Other Non-Operating Income	0.00			
EDUCATION TRUST FUNDING-Current Year				
Less Act 1180 Unclaimed Prizes	(882,319.10)			
Less Current year Fidelity Reserve Fees	(945.05)	restricted reserves		
Less Current year Bond Reserve Fees	(7,200.00)	restricted reserves		
Less Current year MUSL Reserves (additions) / reductions	0.00	see 23-115-103(17) and (19)(A)&(B)		
Add OPEB expense in Comp and Benefits	<u>44,343.00</u>			
 <b>NET PROCEEDS EARNED-Current Month</b>	 <b><u>\$ 6,661,762.99</u></b>			
		Transfer	Interest	Total
<b>Totals</b>	<b>\$ 50,982,653.57</b>	<b>\$ 1,194,637.18</b>	<b>\$</b>	<b><u>52,177,290.75</u></b>
July 2016 funding - 8/15/16	\$ 8,702,788.19	\$ 11,598.20	\$	8,714,386.39
August 2016 funding - 9/15/16	\$ 5,480,243.59	\$ 18,471.27	\$	5,498,714.86
Transfer to ADHE 9/9/16	\$ (36,000,000.00)		\$	(36,000,000.00)
September 2016 funding - 10/15/16	\$ 5,765,568.30	\$ 7,508.12	\$	5,773,076.42
ADHE Refund for excess scholarship funding for FY 2016	\$ 542,198.00		\$	542,198.00
Transfer from ADHE (final 2016 Adj) -10/28/16	\$ (109,184.50)		\$	(109,184.50)
October 2016 funding - 11/15/16	\$ 5,158,748.07	\$ 6,292.47	\$	5,165,040.54
November 2016 funding - 12/15/16	\$ 6,562,384.25	\$ 8,595.26	\$	6,570,979.51
December 2016 funding - 1/15/17	\$ 4,576,676.57	\$ 19,855.65	\$	4,596,532.22
January 2017 funding - 2/15/17	\$ 7,922,573.49	\$ 24,972.72	\$	7,947,546.21
Transfer to ADHE 2/10/16	\$ (35,000,000.00)		\$	(35,000,000.00)
February 2017 funding - 3/15/17	\$ 6,688,267.91	\$ 9,831.71	\$	6,698,099.62
March 2017 funding - 4/15/17	\$ 6,195,046.44	\$ 9,658.31	\$	6,204,704.75
April 2017 funding - 5/15/17	\$ 7,831,636.38	\$ 14,191.18	\$	7,845,827.56
May 2017 funding - 6/15/17	\$ 7,043,689.60	\$ 25,080.58	\$	7,068,770.18
June 2017 funding - 7/15/17	\$ 13,163,625.66	\$ 30,026.52	\$	13,193,652.18
July 2017 funding - 8/15/17	\$ 6,610,939.69	\$ 50,823.30	\$	6,661,762.99

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Unclaimed Prizes**  
**July 31, 2017**

	Monthly	Year to Date
Reserve Balance July 1, 2016		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 882,319.10	882,319.10
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	\$ 882,319.10	882,319.10
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
 Reserve Balance July 31, 2017		 \$1,882,319.10

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

**OFFICE OF THE ARKANSAS LOTTERY MINORITY AND FEMALE OWNED DIVERSITY COMPLIANCE REPORT  
July 1 through July 31, 2017**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>July 2017</b>	<b>FY 2018 Total</b>
Goddess Products	Office Furniture/Supplies	CMBE	\$391.58	\$391.58
<b>Totals</b>			<b>\$391.58</b>	<b>\$391.58</b>

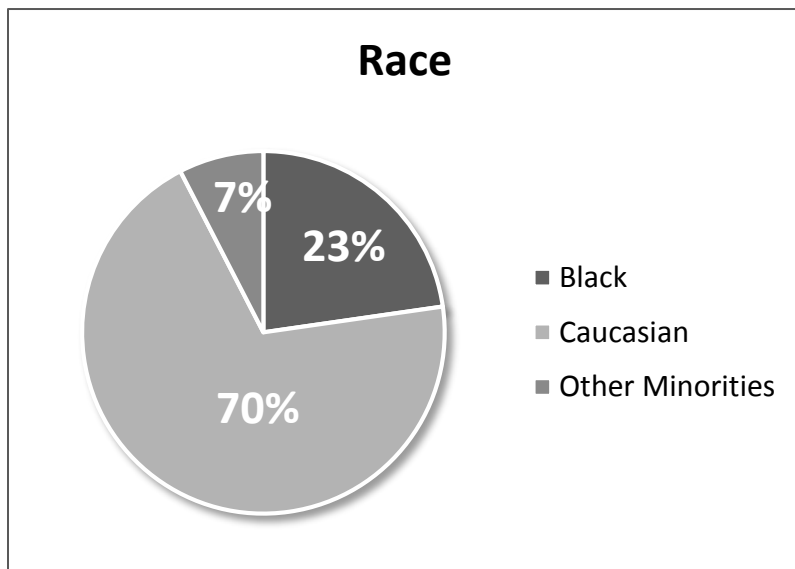
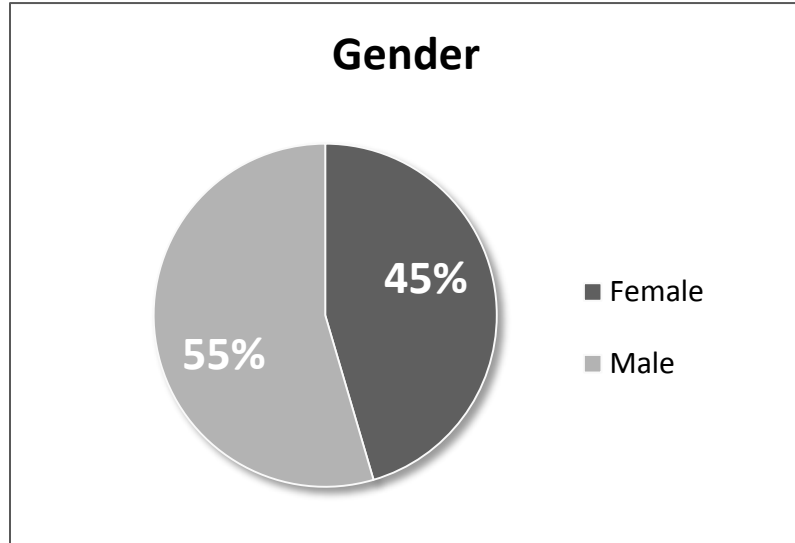
**INTRALOT MINORITY AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
July 1 through July 31, 2017**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>July 2017</b>	<b>FY 2018 Total</b>
J Kelly Referrals and Information Services	Call Center/Information Services	CMBE	\$8,462.00	\$8,462.00
<b>Totals</b>			<b>\$8,462.00</b>	<b>\$8,462.00</b>

**SCIENTIFIC GAMES MINORITY AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
July 1 through July 31, 2017**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>July 2017</b>	<b>FY 2018 Total</b>
Expedited Transportation Services	Transportation Services	FOB	\$2,720.42	\$2,720.42
Ingage, LLC	Fulfillment Services and Prizes	FOB	\$46,364.60	\$46,364.60
Mr. Klean's Carpet and Janitorial Service	Janitorial Services	MBE	\$396.00	\$396.00
<b>Totals</b>			<b>\$49,481.02</b>	<b>\$49,481.02</b>

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Demographics – July 2017**



**Total Number of Employees as of July 31, 2017: 66**

**Gender:**

Females – 30  
Males – 36

**Race:**

Black – 15  
Caucasian – 46  
Other – 5

Female -- 7	Male -- 8
Female -- 21	Male -- 25
Female -- 2	Male -- 3

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

The Office of Arkansas Lottery Internal Audit position was vacated on June 30, 2017; therefore, no internal audit reports were issued in the month of July, 2017.



**DFA/Office of the Arkansas Lottery**  
**Instant & Fast Play Games**  
**July 2017**

There were no new Instant games that started sales in July, 2017.

Sales for the following Fast Play games began July 31, 2017. No ending dates have been determined for these game.

**\$1 Jumbo Bucks**

**\$2 Hot Dice**