



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 10, 2018

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 July 2018. 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 black ink, appearing to read "Bishop Woosley", written over a horizontal line.

Bishop Woosley  
Director

Enclosures

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



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 10, 2018

The Honorable Keith Ingram, Chair  
The Honorable Chris Richey, Chair  
Arkansas Legislative Council Lottery Oversight Subcommittee  
One Capitol Mall, Room R-501  
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Gentlemen:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, pursuant to A.C.A. §§ 23-115-206 and 23-115-302, please accept the attached disclosure reports for the month of July 2018. 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 black ink, appearing to read "Bishop Woosley".

Bishop Woosley  
Director

Enclosures

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

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Term Contracts for Goods and Services**  
**July 1 through July 31, 2018**

On June 13, 2018, 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-464 "BATTLESHIP™" (the "Game"). 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: June 13, 2018.
- 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 BATTLESHIP™.

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Debt Set-Off and Retailer Losses  
July 2018**

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

a.	Arkansas Department of Finance and Administration	\$19,829.71
b.	Arkansas Office of Child Support Enforcement - Child Support	<u>\$24,261.64</u>
	Total Debt Set-Off:	\$44,091.35

**2. Retailer losses for period July 1 through July 31, 2018:**      None.

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**OFFICE OF THE ARKANSAS LOTTERY**  
**RETAIL SALES BY COUNTY**  
**July 1 through July 31, 2018**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$13,434.50	\$7,293.00	\$12,891.00	\$466,812.00	\$2,276.00	\$29,965.00	\$6,956.00	\$17,163.00	\$556,790.50
ASHLEY	\$13,171.50	\$11,923.50	\$3,331.00	\$137,767.00	\$1,112.00	\$12,394.00	\$1,861.00	\$10,898.00	\$192,458.00
BAXTER	\$3,248.00	\$2,001.00	\$7,974.00	\$371,925.00	\$6,360.00	\$42,376.00	\$13,907.00	\$30,761.00	\$478,552.00
BENTON	\$10,565.00	\$3,270.50	\$18,134.00	\$1,160,367.00	\$13,082.00	\$184,966.00	\$27,800.00	\$118,343.00	\$1,536,527.50
BOONE	\$2,529.00	\$2,986.00	\$20,082.00	\$490,183.00	\$2,402.00	\$31,982.00	\$5,459.00	\$22,096.00	\$577,719.00
BRADLEY	\$1,765.00	\$2,069.00	\$2,321.00	\$163,515.00	\$890.00	\$6,978.00	\$1,518.00	\$7,153.00	\$186,209.00
CALHOUN	\$3,926.50	\$926.50	\$1,145.00	\$48,600.00	\$414.00	\$2,794.00	\$741.00	\$1,927.00	\$60,474.00
CARROLL	\$365.50	\$497.00	\$6,335.00	\$249,938.00	\$1,448.00	\$20,989.00	\$3,257.00	\$14,580.00	\$297,409.50
CHICOT	\$7,629.00	\$5,532.00	\$1,143.00	\$157,500.00	\$4,126.00	\$47,284.00	\$7,088.00	\$41,078.00	\$271,380.00
CLARK	\$2,623.00	\$1,064.00	\$21,721.00	\$334,767.00	\$1,660.00	\$27,083.00	\$5,817.00	\$14,024.00	\$408,759.00
CLAY	\$185.00	\$68.00	\$2,425.00	\$114,456.00	\$768.00	\$6,947.00	\$1,893.00	\$4,789.00	\$131,531.00
CLEBURNE	\$3,972.00	\$625.00	\$15,779.00	\$300,876.00	\$2,434.00	\$31,806.00	\$10,111.00	\$19,299.00	\$384,902.00
CLEVELAND	\$540.50	\$177.00	\$1,118.00	\$58,500.00	\$334.00	\$3,700.00	\$963.00	\$1,788.00	\$67,120.50
COLUMBIA	\$14,739.00	\$7,042.00	\$7,937.00	\$277,463.00	\$2,218.00	\$14,788.00	\$3,213.00	\$10,861.00	\$338,261.00
CONWAY	\$4,875.50	\$1,842.00	\$7,742.00	\$405,397.00	\$1,896.00	\$29,081.00	\$7,048.00	\$17,769.00	\$475,650.50
CRAIGHEAD	\$11,397.50	\$7,371.50	\$38,059.00	\$1,467,043.00	\$6,080.00	\$102,915.00	\$20,452.00	\$58,513.00	\$1,711,831.00
CRAWFORD	\$2,203.00	\$644.50	\$7,495.00	\$330,977.00	\$3,336.00	\$48,544.00	\$19,745.00	\$32,950.00	\$445,894.50
CRITTENDEN	\$19,469.00	\$11,934.50	\$6,019.00	\$571,180.00	\$5,418.00	\$77,831.00	\$12,080.00	\$51,528.00	\$755,459.50
CROSS	\$3,638.00	\$2,757.50	\$5,758.00	\$230,578.00	\$890.00	\$14,888.00	\$3,659.00	\$8,481.00	\$270,649.50
DALLAS	\$1,376.50	\$925.00	\$2,999.00	\$152,690.00	\$692.00	\$7,881.00	\$1,799.00	\$4,971.00	\$173,333.50
DESHA	\$3,623.00	\$1,987.00	\$2,626.00	\$169,606.00	\$1,536.00	\$18,235.00	\$4,270.00	\$11,403.00	\$213,286.00
DREW	\$1,946.50	\$1,349.00	\$7,219.00	\$226,394.00	\$3,410.00	\$17,795.00	\$3,663.00	\$12,727.00	\$274,503.50
FAULKNER	\$11,644.50	\$5,722.00	\$41,842.00	\$1,129,458.00	\$8,720.00	\$119,503.00	\$31,421.00	\$74,307.00	\$1,422,617.50
FRANKLIN	\$407.50	\$84.50	\$8,686.00	\$179,268.00	\$2,366.00	\$17,720.00	\$3,510.00	\$11,318.00	\$223,360.00
FULTON	\$361.50	\$274.50	\$2,848.00	\$86,273.00	\$636.00	\$5,041.00	\$1,173.00	\$3,951.00	\$100,558.00
GARLAND	\$8,628.50	\$6,051.50	\$23,671.00	\$937,141.00	\$11,178.00	\$144,148.00	\$45,136.00	\$84,530.00	\$1,260,484.00
GRANT	\$736.00	\$177.00	\$8,002.00	\$129,859.00	\$1,104.00	\$16,683.00	\$3,659.00	\$8,730.00	\$168,950.00
GREENE	\$931.00	\$295.00	\$15,592.00	\$633,970.00	\$3,444.00	\$43,831.00	\$7,898.00	\$26,120.00	\$732,081.00
HEMPSTEAD	\$40,119.00	\$12,415.50	\$11,103.00	\$338,852.00	\$1,274.00	\$15,602.00	\$3,532.00	\$10,332.00	\$433,229.50
HOT SPRING	\$951.50	\$593.00	\$13,816.00	\$304,424.00	\$3,128.00	\$28,820.00	\$7,906.00	\$17,679.00	\$377,317.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**OFFICE OF THE ARKANSAS LOTTERY**  
**RETAIL SALES BY COUNTY**  
**July 1 through July 31, 2018**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$19,354.50	\$7,812.00	\$8,394.00	\$190,826.00	\$1,164.00	\$10,691.00	\$2,276.00	\$6,591.00	\$247,108.50
INDEPENDENCE	\$2,869.00	\$1,089.50	\$38,783.00	\$561,443.00	\$2,466.00	\$38,596.00	\$9,995.00	\$23,925.00	\$679,166.50
IZARD	\$49.50	\$30.50	\$4,434.00	\$78,997.00	\$728.00	\$8,465.00	\$3,818.00	\$5,639.00	\$102,161.00
JACKSON	\$14,496.00	\$6,713.00	\$12,846.00	\$280,713.00	\$1,784.00	\$17,843.00	\$5,375.00	\$9,821.00	\$349,591.00
JEFFERSON	\$42,948.00	\$33,219.00	\$41,512.00	\$1,414,836.00	\$9,072.00	\$94,656.00	\$26,897.00	\$58,342.00	\$1,721,482.00
JOHNSON	\$602.00	\$1,181.00	\$3,566.00	\$249,018.00	\$1,412.00	\$17,440.00	\$4,715.00	\$12,324.00	\$290,258.00
LAFAYETTE	\$7,464.50	\$2,393.00	\$2,588.00	\$65,222.00	\$440.00	\$2,762.00	\$650.00	\$2,200.00	\$83,719.50
LAWRENCE	\$1,321.50	\$171.00	\$5,143.00	\$203,320.00	\$1,066.00	\$14,612.00	\$2,643.00	\$9,920.00	\$238,196.50
LEE	\$2,587.50	\$6,902.50	\$3,848.00	\$68,612.00	\$342.00	\$6,580.00	\$675.00	\$3,292.00	\$92,839.00
LINCOLN	\$272.50	\$220.50	\$4,418.00	\$104,898.00	\$754.00	\$8,196.00	\$2,637.00	\$4,837.00	\$126,233.00
LITTLE RIVER	\$3,710.50	\$2,787.00	\$2,146.00	\$88,600.00	\$690.00	\$8,485.00	\$1,399.00	\$5,220.00	\$113,037.50
LOGAN	\$945.50	\$191.00	\$8,215.00	\$198,882.00	\$1,218.00	\$18,374.00	\$3,578.00	\$12,862.00	\$244,265.50
LONOKE	\$8,564.50	\$6,323.50	\$23,167.00	\$862,065.00	\$6,792.00	\$89,575.00	\$21,795.00	\$51,813.00	\$1,070,095.00
MADISON	\$317.00	\$26.00	\$3,360.00	\$86,502.00	\$752.00	\$9,835.00	\$1,788.00	\$6,853.00	\$109,433.00
MARION	\$2,930.50	\$700.00	\$7,060.00	\$218,859.00	\$2,180.00	\$14,162.00	\$5,457.00	\$10,180.00	\$261,528.50
MILLER	\$18,178.00	\$9,731.50	\$6,573.00	\$490,293.00	\$4,196.00	\$31,906.00	\$6,061.00	\$19,472.00	\$586,410.50
MISSISSIPPI	\$42,341.50	\$14,905.50	\$11,163.00	\$529,578.00	\$2,226.00	\$36,506.00	\$5,301.00	\$21,372.00	\$663,393.00
MONROE	\$4,097.50	\$1,466.00	\$3,059.00	\$168,098.00	\$554.00	\$13,446.00	\$2,760.00	\$8,074.00	\$201,554.50
MONTGOMERY	\$85.00	\$665.00	\$3,780.00	\$30,303.00	\$508.00	\$5,265.00	\$1,337.00	\$3,089.00	\$45,032.00
NEVADA	\$2,016.00	\$2,008.00	\$4,462.00	\$187,488.00	\$964.00	\$9,519.00	\$1,352.00	\$5,099.00	\$212,908.00
NEWTON	\$45.00	\$21.00	\$7,594.00	\$58,457.00	\$416.00	\$3,433.00	\$686.00	\$2,329.00	\$72,981.00
OUACHITA	\$10,378.00	\$5,015.50	\$8,561.00	\$555,362.00	\$1,720.00	\$24,283.00	\$5,473.00	\$15,329.00	\$626,121.50
PERRY	\$626.50	\$509.00	\$4,253.00	\$119,510.00	\$396.00	\$8,972.00	\$1,820.00	\$5,352.00	\$141,438.50
PHILLIPS	\$8,189.00	\$4,444.00	\$3,724.00	\$183,131.00	\$2,338.00	\$32,281.00	\$4,004.00	\$22,851.00	\$260,962.00
PIKE	\$384.00	\$100.00	\$7,258.00	\$101,831.00	\$842.00	\$10,396.00	\$2,169.00	\$6,541.00	\$129,521.00
POINSETT	\$6,671.50	\$1,329.50	\$8,179.00	\$431,759.00	\$1,394.00	\$24,166.00	\$4,619.00	\$14,764.00	\$492,882.00
POLK	\$556.00	\$66.00	\$10,748.00	\$112,315.00	\$1,060.00	\$15,437.00	\$4,313.00	\$11,354.00	\$155,849.00
POPE	\$4,924.00	\$1,782.50	\$15,268.00	\$771,314.00	\$5,598.00	\$73,052.00	\$17,621.00	\$44,880.00	\$934,439.50
PRAIRIE	\$2,235.50	\$1,708.00	\$8,000.00	\$197,626.00	\$592.00	\$11,852.00	\$2,352.00	\$6,723.00	\$231,088.50
PULASKI	\$106,683.00	\$91,385.50	\$226,670.00	\$6,015,867.00	\$52,568.00	\$565,180.00	\$143,148.00	\$315,624.00	\$7,517,125.50
RANDOLPH	\$965.50	\$467.50	\$7,385.00	\$157,911.00	\$1,412.00	\$12,842.00	\$2,664.00	\$8,319.00	\$191,966.00

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
RETAIL SALES BY COUNTY  
July 1 through July 31, 2018**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$14,146.00	\$7,612.50	\$5,817.00	\$281,316.00	\$2,462.00	\$23,941.00	\$4,047.00	\$15,557.00	\$354,898.50
SALINE	\$14,045.50	\$5,730.00	\$89,569.00	\$1,095,246.00	\$10,178.00	\$129,294.00	\$32,396.00	\$71,221.00	\$1,447,679.50
SCOTT	\$56.00	\$37.00	\$1,324.00	\$72,556.00	\$572.00	\$8,098.00	\$1,502.00	\$6,149.00	\$90,294.00
SEARCY	\$268.00	\$447.00	\$2,063.00	\$88,827.00	\$552.00	\$6,567.00	\$1,446.00	\$5,032.00	\$105,202.00
SEBASTIAN	\$14,843.00	\$5,257.50	\$16,695.00	\$738,757.00	\$9,828.00	\$129,396.00	\$29,669.00	\$83,292.00	\$1,027,737.50
SEVIER	\$1,233.50	\$775.50	\$646.00	\$124,549.00	\$864.00	\$10,382.00	\$1,501.00	\$6,328.00	\$146,279.00
SHARP	\$954.00	\$189.00	\$8,399.00	\$224,459.00	\$1,364.00	\$17,341.00	\$5,163.00	\$12,923.00	\$270,792.00
STONE	\$1,275.00	\$493.00	\$6,314.00	\$102,649.00	\$784.00	\$11,316.00	\$3,530.00	\$7,298.00	\$133,659.00
UNION	\$54,211.00	\$27,442.50	\$14,809.00	\$754,720.00	\$4,424.00	\$41,614.00	\$9,187.00	\$27,655.00	\$934,062.50
VAN BUREN	\$816.00	\$715.00	\$2,745.00	\$161,484.00	\$1,014.00	\$15,342.00	\$3,877.00	\$9,978.00	\$195,971.00
WASHINGTON	\$10,905.00	\$4,756.50	\$15,317.00	\$1,383,789.00	\$13,836.00	\$177,936.00	\$33,887.00	\$117,975.00	\$1,758,401.50
WHITE	\$4,777.50	\$3,493.00	\$35,840.00	\$963,694.00	\$5,560.00	\$75,630.00	\$18,991.00	\$42,511.00	\$1,150,496.50
WOODRUFF	\$3,026.50	\$1,688.50	\$879.00	\$89,448.00	\$750.00	\$6,981.00	\$1,735.00	\$4,441.00	\$108,949.00
YELL	\$2,228.50	\$317.00	\$14,770.00	\$282,716.00	\$1,266.00	\$18,044.00	\$4,486.00	\$10,494.00	\$334,321.50

<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>
	\$630,596.50	\$364,216.50	\$1,047,157.00	\$32,773,625.00	\$255,730.00	\$3,083,260.00	\$718,330.00	\$1,905,914.00	\$40,778,829.00

\*Estimates

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Total Number of Active Retailers  
July 2018**

There were 1,931 active retailers as of July 31, 2018.



**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Statement of Net Position  
July 31, 2018**

**ASSETS**

<b>Current assets:</b>	
Cash and cash equivalents	\$ 3,601,501.25
Restricted assets:	
Cash and cash equivalents	65,847,994.91
Accounts receivable	15,958,276.17
Prepaid items	199,694.13
Total current assets	<u>85,607,466.46</u>
<b>Non-current assets:</b>	
Restricted assets:	
Cash and cash equivalents	20,673,491.86
Deposits with Multi-State Lottery Association	2,209,894.69
Capital assets (Net of accumulated depreciation)	336,245.30
Total non-current assets	<u>23,219,631.85</u>
 Total assets	 108,827,098.31
<b>Deferred outflows of resources:</b>	
Related to pension	<u>1,717,009.16</u>
 Total assets and deferred outflows of resources	 <u>\$ 110,544,107.47</u>

**LIABILITIES**

<b>Current liabilities:</b>	
Accounts payable	\$ 76,109.94
Prizes payable	19,146,284.37
Accrued and other liabilities	3,827,789.73
Due to other funds of the State	578,482.51
Due to Education Trust Account	44,765,299.31
Due to Workforce Challenge Trust Account	19,044,297.15
Compensated absences	342,547.52
Unearned revenue	344,576.35
Total current liabilities	<u>88,125,386.88</u>
<b>Long-Term liabilities:</b>	
Net other post employment benefits	2,407,180.34
Net pension liability	4,732,352.00
Total long-term liabilities	<u>7,139,532.34</u>
 Total liabilities	 95,264,919.22
<b>Deferred inflows of resources:</b>	
Related to pension	<u>703,066.00</u>
 Total liabilities and deferred inflows of resources	 <u>95,967,985.22</u>

**NET POSITION**

<b>Net position:</b>	
Invested in capital assets	336,245.30
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer fidelity reserve	183,526.20
Retailer bond reserve	589,965.66
Deposits with Multi-State Lottery Association	2,209,894.69
Unclaimed prizes reserve	1,938,398.45
Unrestricted (deficit)	<u>(10,681,908.05)</u>
 Total net position	 <u>14,576,122.25</u>
 Total liabilities, deferred inflows of resources and net position	 <u>\$ 110,544,107.47</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, 2018**

	Current month	Year to date
<b>Operating revenues:</b>		
Instant ticket sales	\$ 34,454,825.00	\$ 34,454,825.00
Online ticket sales	7,898,358.50	7,898,358.50
Retailer application, fidelity, bond and service fees	60,052.50	60,052.50
Other revenue	<u>116.70</u>	<u>116.70</u>
 Total operating revenues	 <u>42,413,352.70</u>	 <u>42,413,352.70</u>
 <b>Operating expenses:</b>		
Instant game prizes	24,289,791.47	24,289,791.47
Online game prizes	3,940,565.54	3,940,565.54
Retailer commissions	2,385,552.93	2,385,552.93
Gaming contract costs	3,219,137.21	3,219,137.21
Compensation and benefits	440,728.42	440,728.42
Marketing, advertising and promotions	658,017.20	658,017.20
General and administrative expenses	292,533.34	292,533.34
Services provided by Arkansas Department of Higher Education	37,000.00	37,000.00
Services provided by Arkansas Legislative Audit	23,333.00	23,333.00
Legal and professional services	164.39	164.39
Depreciation	<u>8,849.43</u>	<u>8,849.43</u>
 Total operating expenses	 <u>35,295,672.93</u>	 <u>35,295,672.93</u>
 Operating income (1)	 7,117,679.77	 7,117,679.77
 <b>Non-operating revenue:</b>		
Interest income	<u>169,598.95</u>	<u>169,598.95</u>
 Income before transfers	 7,287,278.72	 7,287,278.72
 <b>Transfers to:</b>		
Education Trust Account (2)	<u>(5,066,628.73)</u>	<u>(5,066,628.73)</u>
 Change in net position	 <u>\$ 2,220,649.99</u>	 2,220,649.99
 Total net position - beginning		 12,355,472.26
Total net position - ending		<u>\$ 14,576,122.25</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, 2018**

	<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	\$ 34,454,825.00	81.24	\$ 30,618,000.00	81.52	\$ 3,836,825.00	\$ 34,454,825.00	81.24	\$ 30,618,000.00	81.52	\$ 3,836,825.00
Online games	7,898,358.50	18.62	6,881,000.00	18.32	1,017,358.50	7,898,358.50	18.62	6,881,000.00	18.32	1,017,358.50
Retailer fees	60,052.50	0.14	60,000.00	0.16	52.50	60,052.50	0.14	60,000.00	0.16	52.50
Other revenue	<u>116.70</u>	0.00	<u>1,000.00</u>	0.00	<u>(883.30)</u>	<u>116.70</u>	0.00	<u>1,000.00</u>	0.00	<u>(883.30)</u>
				0.00%						
Total operating revenues	<u>42,413,352.70</u>	100.00	<u>37,560,000.00</u>	100.00	<u>4,853,352.70</u>	<u>42,413,352.70</u>	100.00	<u>37,560,000.00</u>	100.00	<u>4,853,352.70</u>
<b>Operating expenses:</b>										
Instant game prizes	24,289,791.47	57.27	21,908,000.00	58.33	2,381,791.47	24,289,791.47	57.27	21,908,000.00	58.33	2,381,791.47
Online game prizes	3,940,565.54	9.29	3,690,000.00	9.82	250,565.54	3,940,565.54	9.29	3,690,000.00	9.82	250,565.54
Retailer commissions	2,385,552.93	5.62	2,118,000.00	5.64	267,552.93	2,385,552.93	5.62	2,118,000.00	5.64	267,552.93
Gaming contract costs	3,219,137.21	7.59	3,252,000.00	8.66	(32,862.79)	3,219,137.21	7.59	3,252,000.00	8.66	(32,862.79)
Compensation & benefits	440,728.42	1.04	460,000.00	1.22	(19,271.58)	440,728.42	1.04	460,000.00	1.22	(19,271.58)
Marketing, advertising & promotions	658,017.20	1.55	716,000.00	1.91	(57,982.80)	658,017.20	1.55	716,000.00	1.91	(57,982.80)
General and administrative expenses	292,533.34	0.69	361,000.00	0.96	(68,466.66)	292,533.34	0.69	361,000.00	0.96	(68,466.66)
Services provided by other agencies	60,333.00	0.14	64,000.00	0.17	(3,667.00)	60,333.00	0.14	64,000.00	0.17	(3,667.00)
Legal and professional service	164.39	0.00	500.00	0.00	(335.61)	164.39	0.00	500.00	0.00	(335.61)
Depreciation	<u>8,849.43</u>	0.02	<u>13,000.00</u>	0.03	<u>(4,150.57)</u>	<u>8,849.43</u>	0.02	<u>13,000.00</u>	0.03	<u>(4,150.57)</u>
Total operating expenses	<u>35,295,672.93</u>	83.22	<u>32,582,500.00</u>	86.75	<u>2,713,172.93</u>	<u>35,295,672.93</u>	83.22	<u>32,582,500.00</u>	86.75	<u>2,713,172.93</u>
Operating income	7,117,679.77	16.78	4,977,500.00	13.25	2,140,179.77	7,117,679.77	16.78	4,977,500.00	13.25	2,140,179.77
<b>Non-operating revenue:</b>										
Interest income	<u>169,598.95</u>	0.40	<u>135,000.00</u>	0.36	<u>34,598.95</u>	<u>169,598.95</u>	0.40	<u>135,000.00</u>	0.36	<u>34,598.95</u>
Income before transfers	<u>\$ 7,287,278.72</u>	17.18	<u>\$ 5,112,500.00</u>	13.61	<u>\$ 2,174,778.72</u>	<u>\$ 7,287,278.72</u>	17.18	<u>\$ 5,112,500.00</u>	13.61	<u>\$ 2,174,778.72</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, 2018**

	Year to date
<b>Operating revenues:</b>	
Instant ticket (Settlements)	\$ 32,771,755.00
Online ticket sales	7,898,358.50
Retailer application, fidelity and service fees	60,052.50
Other revenue	<u>116.70</u>
<b>Total operating revenues</b>	<u><b>40,730,282.70</b></u>
 <b>Operating expenses:</b>	
Instant game prizes (Settlements)	23,860,688.00
Online game prizes	3,940,565.54
Retailer commissions	2,385,552.93
Gaming contract costs	3,219,137.21
Compensation and benefits	440,728.42
Marketing, advertising and promotions	658,017.20
General and administrative expenses	292,533.34
Services provided by ADHE	37,000.00
Services provided by Legislative Audit Agency	23,333.00
Legal and professional services	164.39
Current year capital asset cost	0.00
<b>Total operating expenses</b>	<u><b>34,857,720.03</b></u>
 Change in net proceeds from operations	 5,872,562.67
 <b>Non-operating revenue:</b>	
Interest income	169,598.95
Other non-operating income	0.00
EDUCATION TRUST FUNDING-Current Year	0.00
Less Act 1180 Unclaimed Prizes	(938,398.45)
Less current year Fidelity Reserve Fees	(1,012.07) restricted reserves
Less current year Bond Reserve Fees	(6,800.00) restricted reserves
Add back Write Off Retailer Bad Debt	0.00
Less current year MUSL Reserves	(44,322.37) see 23-115-103(17) and (19)(A)&(B)
Add OPEB expense in Comp and Benefits	<u>15,000.00</u>

**NET PROCEEDS EARNED-Current Month** **\$ 5,066,628.73**

	Transfer	Interest	Total
<b>Academic Challenge Scholarship Trust</b>	\$ 43,096,895.04	\$ 1,698,972.38	\$ 44,795,867.42
July 2017 funding - 8/15/17	\$ 6,610,939.69	\$ 50,823.30	\$ 6,661,762.99
August 2017 funding - 9/15/17	\$ 8,850,323.23	\$ 62,418.31	\$ 8,912,741.54
September 2017 funding - 10/15/17	\$ 6,688,470.75	\$ 66,863.18	\$ 6,755,333.93
Transfer from ADHE (final 2017 Adj) -10/15/17	\$ (120,270.21)	\$ -	\$ (120,270.21)
Transfer to ADHE 10/6/17	\$ (35,000,000.00)	\$ -	\$ (35,000,000.00)
October 2017 funding - 11/15/17	\$ 5,619,710.41	\$ 47,595.33	\$ 5,667,305.74
Transfer to ADHE 11/21/17	\$ (3,500,000.00)	\$ -	\$ (3,500,000.00)
November 2017 funding - 12/15/17	\$ 6,648,202.58	\$ 43,025.42	\$ 6,691,228.00
Transfer to Workforce Challenge Trust 12/1/17	\$ (14,157,060.23)	\$ -	\$ (14,157,060.23)
December 2017 funding - 1/15/18	\$ 6,555,192.25	\$ 28,163.52	\$ 6,583,355.77
January 2018 funding - 2/15/18	\$ 8,181,641.65	\$ 49,219.69	\$ 8,230,861.34
Transfer to ADHE 2/9/18	\$ (30,000,000.00)	\$ -	\$ (30,000,000.00)
February 2018 funding - 3/15/18	\$ 5,923,173.53	\$ 24,473.97	\$ 5,947,647.50
March 2018 funding - 4/15/18	\$ 7,920,841.38	\$ 24,728.64	\$ 7,945,570.02
Transfer to ADHE 4/9/18	\$ (15,000,000.00)	\$ -	\$ (15,000,000.00)
April 2018 funding - 5/15/18	\$ 7,171,153.54	\$ 21,843.56	\$ 7,192,997.10
May 2018 funding - 6/15/18	\$ 8,010,337.20	\$ 27,287.60	\$ 8,037,624.80
June 2018 funding - 7/15/18	\$ 13,323,691.32	\$ 40,921.32	\$ 13,364,612.64
July 2018 funding - 8/15/18	\$ 4,998,834.07	\$ 67,794.66	\$ 5,066,628.73
 <b>Workforce Challenge Scholarship Trust</b>		 Transfer	 Total
	<u>\$ 19,044,297.15</u>		<u>\$ 19,044,297.15</u>
ADHE Refund from FY 2017 - 11/30/17	\$ 4,887,236.92		\$ 4,887,236.92
FY 2017 Excess Net Proceeds transferred from Edu Trust 12/1/17	\$ 14,157,060.23		\$ 14,157,060.23

**Arkansas Department of Finance and Administration**  
**Office of the Arkansas Lottery**  
**Unclaimed Prizes**  
**July 31, 2018**

	Monthly	Year to Date
Reserve Balance July 1, 2018		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 938,398.45	938,398.45
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	938,398.45	938,398.45
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
 Reserve Balance July 31, 2018		 \$1,938,398.45

**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, 2018**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>July 2018</b>	<b>FY 2019 Total</b>
Goddess Products	Office Furniture/Supplies	CMBE	\$451.89	\$451.89
Government Supply Services	Office Furniture/Supplies	MBE	\$256.48	\$256.48
<b>Totals</b>			<b>\$708.37</b>	<b>\$708.37</b>

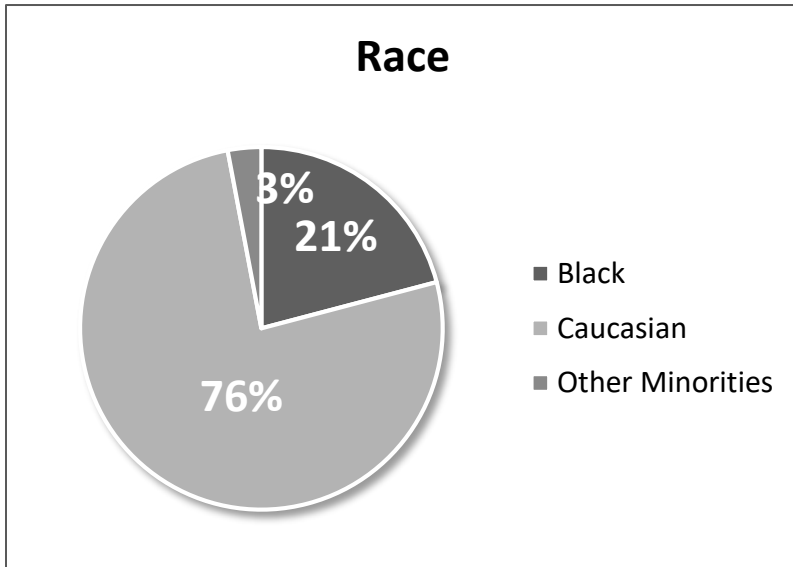
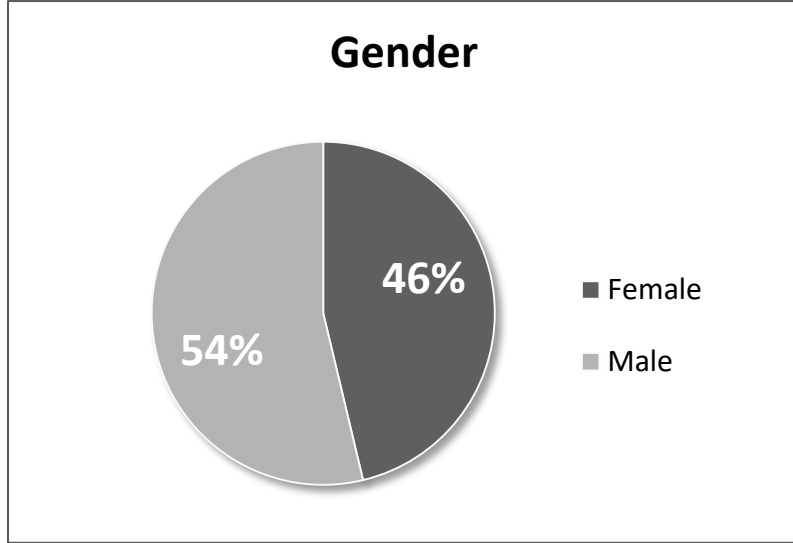
**INTRALOT MINORITY AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
July 1 through July 31, 2018**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>July 2018</b>	<b>FY 2019 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, 2018**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>July 2018</b>	<b>FY 2019 Total</b>
Expedited Transportation Services	Transportation Services	DBE	\$3,129.82	\$3,129.82
Ingage, LLC	Fulfillment Services and Prizes	WBE	\$74,684.08	\$74,684.08
Premier Staffing	Employment Agency	MBE	\$3,229.70	\$3,229.70
<b>Totals</b>			<b>\$81,043.60</b>	<b>\$81,043.60</b>

**Arkansas Department of Finance and Administration  
Office of the Arkansas Lottery  
Demographics – July 2018**



**Total Number of Employees as of July 2018: 67**

**Gender:**

Females – 31  
Males – 36

**Race:**

Black – 14  
Caucasian – 51  
Other – 2

Female -- 7	Male --7
Female -- 24	Male -- 27
Female -- 0	Male -- 2

**Department of Finance and Administration  
Office of the Arkansas Lottery – Internal Audit**

**Arkansas Legislative Council – Lottery Oversight Subcommittee  
Monthly Report for July 2018**

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



**DFA/Office of the Arkansas Lottery**  
**Instant & Fast Play Games**  
**July 2018**

Sales for the following instant games began July 2, 2018. No ending dates have been determined for these games.

**\$1 Fast \$100**

**\$2 Fast \$200**

**\$3 Multiplier Crossword**

**\$5 Cash Bonus HD**

**\$10 Willy Wonka Golden Ticket™<sup>1</sup>**

<sup>1</sup>Willy Wonka Golden Ticket™ is a licensed property game. There is a linked game fee in the amount of one hundred eighty thousand dollars (\$180,000), and there is a linked prize fee of 1.1625% of net sales for the game.

Sales for the following instant games began July 31, 2018. No ending dates have been determined for these games.

**\$1 5X**

**\$2 15X**

**\$5 25X**

**\$20 \$50K Blowout**

Sales for the following Fast Play games began July 2, 2018. No ending dates have been determined for these games.

**\$1 Quick Cards**

**\$2 Bingo**

Sales for the following Fast Play games began July 30, 2018. No ending dates have been determined for these games.

**\$1 Jumbo Bucks**

**\$1 In Between**