



STATE OF ARKANSAS
ARKANSAS LOTTERY COMMISSION

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

July 10, 2013

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

RE: Monthly Disclosure Reports

Dear Governor Beebe:

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

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

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

Respectfully submitted,

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

Bishop Woosley
Director

Enclosures

cc: Dr. George Hammons, Chairman, Arkansas Lottery Commission



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July 10, 2013

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

RE: Monthly Disclosure Reports

Gentlemen:

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

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Bishop Woosley
Director

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cc: Dr. George Hammons, Chairman, Arkansas Lottery Commission

**Arkansas Lottery Commission Term Contracts for Goods and Services
June 1 through June 30, 2013**

On June 25, 2013, the Arkansas Lottery Commission (ALC) entered into a contract with Advent Systems, Inc. for a Security System. The Security System includes all labor, materials, equipment and supervision necessary to install and maintain a security system for the Arkansas Lottery Commission and four ALC claim centers.

Length of Contract: Little Rock HQ and Claim Center, July 1, 2013-August 31, 2015
Camden Claim Center: July 1, 2013-November 30, 2014
Jonesboro Claim Center: July 1, 2013-November 30, 2014
Springdale Claim Center: July 1, 2013-September 30, 2014

Total Projected Value: \$120,785.61

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

1. Debt Set-Off:

a.	Department of Finance and Administration	\$ 14,437.88
b.	Office of Child Support Enforcement - Child Support	<u>\$ 2,750.00</u>
	Total Debt Set-Off:	\$ 17,187.88

2. Retailer losses for period June 1 through June 30, 2013: None.

ARKANSAS LOTTERY COMMISSION
RETAIL SALES BY COUNTY
June 1 through June 30, 2013

COUNTY	ARKANSAS 50/50	CASH 3	CASH 4	DECADES OF DOLLARS	FAST PLAY	INSTANT SETTLEMENTS	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$115.00	\$6,317.00	\$8,341.50	\$2,044.00	\$28,483.00	\$380,127.00	\$9,005.00	\$7,305.00	\$23,579.00	\$465,316.50
ASHLEY	\$35.00	\$8,843.50	\$8,531.50	\$1,222.00	\$7,145.00	\$98,664.00	\$4,309.00	\$1,679.00	\$14,364.00	\$144,793.00
BAXTER	\$110.00	\$4,266.50	\$1,757.50	\$3,528.00	\$20,249.00	\$318,186.00	\$13,931.00	\$9,676.00	\$35,985.00	\$407,689.00
BENTON	\$435.00	\$3,860.00	\$2,826.00	\$9,078.00	\$16,144.00	\$700,553.00	\$45,687.00	\$14,265.00	\$130,160.00	\$923,008.00
BOONE	\$180.00	\$2,368.00	\$2,372.00	\$1,538.00	\$9,634.00	\$335,632.00	\$9,548.00	\$3,718.00	\$30,478.00	\$395,468.00
BRADLEY	\$10.00	\$840.50	\$865.00	\$654.00	\$3,411.00	\$128,640.00	\$2,541.00	\$2,199.00	\$7,212.00	\$146,372.50
CALHOUN	\$5.00	\$1,246.50	\$387.00	\$302.00	\$505.00	\$35,920.00	\$811.00	\$703.00	\$2,541.00	\$42,420.50
CARROLL	\$70.00	\$770.50	\$741.50	\$1,174.00	\$9,047.00	\$220,969.00	\$6,010.00	\$2,940.00	\$19,062.00	\$260,784.00
CHICOT	\$90.00	\$5,405.50	\$3,392.50	\$2,490.00	\$2,882.00	\$150,900.00	\$16,342.00	\$4,425.00	\$46,476.00	\$232,403.00
CLARK	\$60.00	\$2,481.50	\$834.00	\$1,372.00	\$8,216.00	\$235,673.00	\$7,019.00	\$3,086.00	\$18,575.00	\$277,316.50
CLAY	\$25.00	\$294.00	\$77.00	\$548.00	\$669.00	\$75,900.00	\$1,501.00	\$775.00	\$4,939.00	\$84,728.00
CLEBURNE	\$75.00	\$1,418.50	\$351.50	\$2,492.00	\$7,587.00	\$266,556.00	\$11,358.00	\$8,017.00	\$28,697.00	\$326,552.00
CLEVELAND	\$20.00	\$328.00	\$358.50	\$272.00	\$1,241.00	\$43,200.00	\$1,618.00	\$838.00	\$4,236.00	\$52,111.50
COLUMBIA	\$35.00	\$11,717.00	\$8,542.00	\$1,368.00	\$23,471.00	\$198,242.00	\$4,178.00	\$3,736.00	\$13,470.00	\$264,759.00
CONWAY	\$60.00	\$6,835.50	\$2,428.50	\$2,394.00	\$5,597.00	\$367,422.00	\$9,319.00	\$6,294.00	\$25,974.00	\$426,324.00
CRAIGHEAD	\$335.00	\$8,316.50	\$4,419.00	\$4,632.00	\$27,102.00	\$994,322.00	\$26,304.00	\$14,364.00	\$76,661.00	\$1,156,455.50
CRAWFORD	\$215.00	\$2,188.50	\$942.50	\$2,844.00	\$3,607.00	\$292,958.00	\$16,147.00	\$10,512.00	\$45,875.00	\$375,289.00
CRITTENDEN	\$200.00	\$15,886.50	\$13,399.50	\$3,586.00	\$23,915.00	\$449,973.00	\$22,891.00	\$8,309.00	\$68,609.00	\$606,769.00
CROSS	\$70.00	\$1,673.00	\$1,425.50	\$876.00	\$14,995.00	\$184,424.00	\$4,366.00	\$3,464.00	\$13,932.00	\$225,225.50
DALLAS	\$30.00	\$1,210.50	\$668.00	\$440.00	\$1,860.00	\$110,435.00	\$3,058.00	\$1,590.00	\$7,620.00	\$126,911.50
DESHA	\$50.00	\$2,107.00	\$950.00	\$746.00	\$1,265.00	\$134,040.00	\$4,908.00	\$3,245.00	\$14,957.00	\$162,268.00
DREW	\$40.00	\$695.00	\$575.00	\$1,446.00	\$3,929.00	\$150,183.00	\$4,669.00	\$2,949.00	\$14,780.00	\$179,266.00
FAULKNER	\$600.00	\$8,178.00	\$4,799.50	\$8,296.00	\$20,631.00	\$920,047.00	\$35,688.00	\$19,784.00	\$95,776.00	\$1,113,799.50
FRANKLIN	\$100.00	\$765.50	\$82.50	\$906.00	\$16,323.00	\$121,250.00	\$5,856.00	\$2,926.00	\$15,442.00	\$163,651.00
FULTON	\$10.00	\$329.00	\$144.00	\$326.00	\$1,012.00	\$44,619.00	\$1,915.00	\$911.00	\$4,749.00	\$54,015.00
GARLAND	\$695.00	\$6,207.00	\$4,667.50	\$12,086.00	\$23,136.00	\$727,599.00	\$45,932.00	\$28,176.00	\$115,479.00	\$963,977.50
GRANT	\$35.00	\$286.00	\$146.50	\$1,000.00	\$1,700.00	\$131,348.00	\$6,006.00	\$3,267.00	\$14,312.00	\$158,100.50
GREENE	\$240.00	\$926.00	\$509.50	\$1,676.00	\$5,497.00	\$472,713.00	\$11,445.00	\$6,132.00	\$33,097.00	\$532,235.50
HEMPSTEAD	\$45.00	\$21,968.00	\$8,146.00	\$874.00	\$4,697.00	\$269,973.00	\$6,384.00	\$3,707.00	\$16,191.00	\$331,985.00
HOT SPRING	\$105.00	\$1,668.00	\$806.00	\$2,084.00	\$7,874.00	\$236,913.00	\$9,456.00	\$7,021.00	\$23,920.00	\$289,847.00

ARKANSAS LOTTERY COMMISSION
RETAIL SALES BY COUNTY
June 1 through June 30, 2013

COUNTY	ARKANSAS 50/50	CASH 3	CASH 4	DECADES OF DOLLARS	FAST PLAY	INSTANT SETTLEMENTS	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$15.00	\$17,038.50	\$4,748.50	\$662.00	\$2,407.00	\$125,339.00	\$4,327.00	\$1,923.00	\$9,738.00	\$166,198.00
INDEPENDENCE	\$215.00	\$3,590.50	\$1,128.00	\$2,794.00	\$13,662.00	\$558,838.00	\$13,015.00	\$9,127.00	\$33,151.00	\$635,520.50
IZARD	\$15.00	\$253.00	\$363.50	\$514.00	\$3,443.00	\$63,690.00	\$3,259.00	\$1,538.00	\$6,775.00	\$79,850.50
JACKSON	\$55.00	\$7,995.50	\$4,281.50	\$1,836.00	\$10,549.00	\$277,098.00	\$7,022.00	\$5,951.00	\$18,565.00	\$333,353.00
JEFFERSON	\$270.00	\$32,581.50	\$25,141.50	\$7,476.00	\$56,349.00	\$1,064,450.00	\$33,808.00	\$27,843.00	\$83,843.00	\$1,331,762.00
JOHNSON	\$310.00	\$417.00	\$737.00	\$1,186.00	\$3,282.00	\$169,241.00	\$7,167.00	\$3,745.00	\$18,900.00	\$204,985.00
LAFAYETTE	\$5.00	\$2,313.00	\$882.50	\$382.00	\$1,637.00	\$54,000.00	\$1,346.00	\$830.00	\$3,952.00	\$65,347.50
LAWRENCE	\$45.00	\$1,367.00	\$326.00	\$918.00	\$4,282.00	\$189,726.00	\$3,559.00	\$1,887.00	\$9,082.00	\$211,192.00
LEE	\$5.00	\$2,959.00	\$2,599.00	\$248.00	\$2,006.00	\$69,300.00	\$1,420.00	\$668.00	\$4,941.00	\$84,146.00
LINCOLN	\$45.00	\$311.50	\$99.50	\$454.00	\$1,069.00	\$67,019.00	\$2,454.00	\$2,971.00	\$7,000.00	\$81,423.00
LITTLE RIVER	\$70.00	\$3,204.50	\$1,900.00	\$666.00	\$743.00	\$75,133.00	\$2,323.00	\$1,621.00	\$5,709.00	\$91,369.50
LOGAN	\$110.00	\$505.50	\$145.50	\$1,110.00	\$6,365.00	\$189,690.00	\$5,775.00	\$3,622.00	\$18,050.00	\$225,373.00
LONOKE	\$255.00	\$6,623.50	\$3,161.50	\$6,000.00	\$27,017.00	\$841,858.00	\$28,684.00	\$14,715.00	\$74,698.00	\$1,003,012.00
MADISON	\$10.00	\$124.50	\$9.00	\$432.00	\$4,283.00	\$42,797.00	\$2,524.00	\$1,026.00	\$6,963.00	\$58,168.50
MARION	\$35.00	\$1,229.50	\$771.50	\$1,570.00	\$9,470.00	\$115,665.00	\$4,690.00	\$3,570.00	\$13,044.00	\$150,045.00
MILLER	\$50.00	\$22,409.00	\$8,917.00	\$1,908.00	\$3,441.00	\$376,514.00	\$10,246.00	\$4,519.00	\$22,664.00	\$450,668.00
MISSISSIPPI	\$180.00	\$35,095.00	\$15,383.50	\$1,652.00	\$5,469.00	\$393,670.00	\$9,364.00	\$4,040.00	\$28,478.00	\$493,331.50
MONROE	\$20.00	\$3,859.00	\$1,483.00	\$864.00	\$2,444.00	\$100,182.00	\$4,175.00	\$2,057.00	\$13,030.00	\$128,114.00
MONTGOMERY	\$5.00	\$34.00	\$30.00	\$210.00	\$1,327.00	\$22,693.00	\$1,702.00	\$825.00	\$4,054.00	\$30,880.00
NEVADA	\$20.00	\$3,335.00	\$755.00	\$922.00	\$15,613.00	\$186,418.00	\$3,671.00	\$2,049.00	\$9,455.00	\$222,238.00
NEWTON	\$30.00	\$42.00	\$55.00	\$210.00	\$814.00	\$52,138.00	\$1,199.00	\$611.00	\$3,055.00	\$58,154.00
OUACHITA	\$170.00	\$8,682.00	\$4,881.50	\$1,396.00	\$34,845.00	\$374,550.00	\$7,822.00	\$6,288.00	\$21,743.00	\$460,377.50
PERRY	\$10.00	\$525.50	\$177.00	\$520.00	\$2,377.00	\$81,300.00	\$3,542.00	\$1,799.00	\$8,093.00	\$98,343.50
PHILLIPS	\$120.00	\$6,185.00	\$3,847.50	\$1,212.00	\$4,216.00	\$184,140.00	\$9,113.00	\$2,385.00	\$24,746.00	\$235,964.50
PIKE	\$30.00	\$87.00	\$22.50	\$514.00	\$7,617.00	\$64,800.00	\$3,195.00	\$2,002.00	\$8,085.00	\$86,352.50
POINSETT	\$65.00	\$3,777.50	\$1,263.00	\$928.00	\$12,918.00	\$320,266.00	\$6,425.00	\$4,659.00	\$19,629.00	\$369,930.50
POLK	\$20.00	\$407.50	\$113.50	\$1,078.00	\$1,766.00	\$104,438.00	\$5,848.00	\$2,617.00	\$14,848.00	\$131,136.00
POPE	\$175.00	\$6,682.50	\$2,645.50	\$5,202.00	\$22,305.00	\$678,606.00	\$22,018.00	\$14,194.00	\$57,144.00	\$808,972.00
PRAIRIE	\$10.00	\$2,530.00	\$734.50	\$724.00	\$3,596.00	\$145,889.00	\$3,610.00	\$1,868.00	\$10,655.00	\$169,616.50
PULASKI	\$1,660.00	\$99,115.50	\$69,387.00	\$41,926.00	\$167,912.00	\$4,833,554.00	\$184,902.00	\$116,211.00	\$450,079.00	\$5,964,746.50
RANDOLPH	\$45.00	\$49.50	\$73.50	\$1,098.00	\$2,468.00	\$143,518.00	\$2,900.00	\$2,028.00	\$9,309.00	\$161,489.00

ARKANSAS LOTTERY COMMISSION
RETAIL SALES BY COUNTY
June 1 through June 30, 2013

COUNTY	ARKANSAS 50/50	CASH 3	CASH 4	DECADES OF DOLLARS	FAST PLAY	INSTANT SETTLEMENTS	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$90.00	\$8,166.50	\$5,408.50	\$826.00	\$5,293.00	\$212,824.00	\$7,269.00	\$3,767.00	\$21,829.00	\$265,473.00
SALINE	\$495.00	\$9,367.50	\$3,625.00	\$9,158.00	\$30,373.00	\$966,902.00	\$38,001.00	\$20,923.00	\$98,976.00	\$1,177,820.50
SCOTT	\$40.00	\$251.50	\$51.50	\$334.00	\$1,407.00	\$92,700.00	\$2,567.00	\$1,440.00	\$7,606.00	\$106,397.00
SEARCY	\$20.00	\$3,660.50	\$674.50	\$610.00	\$2,968.00	\$82,452.00	\$2,019.00	\$1,111.00	\$6,128.00	\$99,643.00
SEBASTIAN	\$430.00	\$17,325.00	\$4,824.50	\$7,602.00	\$16,391.00	\$617,149.00	\$43,577.00	\$23,841.00	\$115,827.00	\$846,966.50
SEVIER	\$15.00	\$3,521.50	\$868.50	\$396.00	\$1,481.00	\$98,784.00	\$3,719.00	\$1,949.00	\$10,001.00	\$120,735.00
SHARP	\$140.00	\$601.00	\$272.00	\$1,122.00	\$8,074.00	\$207,376.00	\$5,287.00	\$2,917.00	\$14,924.00	\$240,713.00
STONE	\$55.00	\$815.50	\$343.50	\$886.00	\$2,252.00	\$76,917.00	\$3,358.00	\$2,084.00	\$7,572.00	\$94,283.00
UNION	\$125.00	\$36,418.00	\$20,575.50	\$2,504.00	\$7,978.00	\$562,227.00	\$13,658.00	\$6,356.00	\$38,341.00	\$688,182.50
VAN BUREN	\$35.00	\$1,488.50	\$372.50	\$908.00	\$2,085.00	\$139,200.00	\$5,114.00	\$3,181.00	\$14,398.00	\$166,782.00
WASHINGTON	\$545.00	\$12,290.00	\$4,788.00	\$10,642.00	\$22,646.00	\$1,151,402.00	\$58,150.00	\$23,083.00	\$154,112.00	\$1,437,658.00
WHITE	\$230.00	\$5,646.50	\$3,182.50	\$4,234.00	\$34,792.00	\$1,018,651.00	\$21,992.00	\$13,799.00	\$59,918.00	\$1,162,445.00
WOODRUFF	\$30.00	\$2,096.00	\$380.00	\$308.00	\$3,971.00	\$83,787.00	\$2,462.00	\$1,486.00	\$7,738.00	\$102,258.00
YELL	\$20.00	\$653.00	\$117.00	\$1,248.00	\$6,884.00	\$137,573.00	\$5,374.00	\$3,275.00	\$14,590.00	\$169,734.00

GRAND TOTALS	*Arkansas 50/50	*Cash 3	*Cash 4	*Decades of Dollars	*Fast Play	*Instant	*Mega Millions	*Natural State Jackpot	*Powerball	*Totals
	\$10,435.00	\$505,028.00	\$285,034.00	\$199,684.00	\$884,111.00	\$26,211,845.00	\$961,854.00	\$544,414.00	\$2,558,586.00	\$32,160,991.00

*Estimates

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

There were 1,892 active retailers as of June 30, 2013.

Arkansas Lottery Commission
Statement of Net Position
June 30, 2013

ASSETS

Current assets:

Cash and Cash Equivalents	\$ 4,773,163.35
Restricted Assets:	
Cash and cash equivalents	39,224,409.00
Accounts receivable	10,809,500.11
Prepaid items	<u>38,050.15</u>
 Total current assets	 <u>54,845,122.61</u>

Noncurrent assets:

Restricted assets:	
Cash and cash equivalents	20,070,586.69
Deposits with Multi-State Lottery Association	1,773,619.99
Capital assets:	
Equipment	526,664.88
Leasehold Improvements	498,416.68
Less accumulated depreciation	<u>(666,710.00)</u>
 Total noncurrent assets	 <u>22,202,578.24</u>
 Total assets	 <u>\$ 77,047,700.85</u>

LIABILITIES

Current liabilities:

Accounts payable	\$ 363,110.94
Prizes payable	18,720,927.19
Accrued and other liabilities	1,166,260.80
Due to other funds	1,358,309.31
Due to ADHE	38,224,409.00
Compensated absences	<u>278,408.75</u>
 Total current liabilities	 <u>60,111,425.99</u>

Long-Term liabilities:

Net OPEB Obligation	<u>727,279.68</u>
 Total liabilities	 <u>60,838,705.67</u>

Deferred inflows:

Unearned revenue	<u>301,607.92</u>
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NET POSITION

Net position:

Invested in capital assets	358,371.56
Restricted:	
Scholarship shortfall fund	20,000,000.00
Retailer fidelity fund	70,586.69
Deposits with Multi-State Lottery Asso.	1,773,619.99
Unclaimed Prize Fund	1,000,000.00
Unrestricted	<u>(7,295,190.98)</u>
 Total net position	 <u>15,907,387.26</u>
 Total liabilities, deferred inflows & net position	 <u>\$ 77,047,700.85</u>

Arkansas Lottery Commission
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2013

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 25,902,368.00	\$ 355,061,785.00
Online ticket sales	6,049,622.00	84,486,209.00
Retailer application, fidelity and service fees	50,353.35	556,792.43
Other revenue	<u>540.00</u>	<u>3,851.09</u>
 Total operating revenues	 <u>32,002,883.35</u>	 <u>440,108,637.52</u>
 Operating expenses:		
Instant game prizes	18,147,185.33	250,168,838.94
Online game prizes	3,357,120.99	42,076,790.27
Retailer commissions	2,197,565.82	24,986,550.65
Gaming contract costs	1,574,003.52	21,873,542.16
Compensation and benefits	605,740.80	5,699,347.82
Marketing, advertising and promotions	577,403.09	4,414,654.56
General and administrative expenses	101,274.39	1,227,658.29
Services provided by ADHE	110,000.01	1,320,000.01
Services provided by Legislative Audit Agency		138,880.00
Legal and professional services	285.00	22,507.54
Depreciation	<u>15,179.85</u>	<u>182,158.64</u>
 Total operating expenses	 <u>26,685,758.80</u>	 <u>352,110,928.88</u>
 Operating income	 5,317,124.55	 87,997,708.64
 Nonoperating revenue (expense):		
Interest income	28,473.34	322,721.61
Other Non Operating Income		
 Income before transfers	 <u>5,345,597.89</u>	 <u>88,320,430.25</u>
Transfers to:		
Trust Account for ADHE	(8,591,482.76)	(89,912,449.13)
Arkansas Department of Human Services		(200,000.00)
Transfers from:		
Transfers from ADHE		<u>0.00</u>
 Change in net position	 <u>\$ (3,245,884.87)</u>	 <u>(1,792,018.88)</u>
 Total net position - beginning		 <u>17,699,406.14</u>
Total net position - ending		<u>\$ 15,907,387.26</u>

Arkansas Lottery Commission
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2013

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating Revenues										
Instant Games	\$25,902,368.00	80.94	\$34,842,200.00	85.28	\$(8,939,832.00)	\$355,061,785.00	80.68	\$ 396,815,000.00	82.52	\$ (41,753,215.00)
OnLine Games	6,049,622.00	18.90	5,972,900.00	14.62	76,722.00	84,486,209.00	19.20	83,510,000.00	17.37	976,209.00
Retailer application, fidelity	50,353.35	0.16	41,700.00	0.10	8,653.35	556,792.43	0.13	530,000.00	0.11	26,792.43
Other Revenue	<u>540.00</u>	0.00	<u>500.00</u>	0.00	<u>40.00</u>	<u>3,851.09</u>	0.00	<u>5,000.00</u>	0.00	<u>(1,148.91)</u>
Total Operating Revenues	<u>32,002,883.35</u>	100.00	<u>40,857,300.00</u>	100.00	<u>(8,854,416.65)</u>	<u>440,108,637.52</u>	100.00	<u>480,860,000.00</u>	100.00	<u>(40,751,362.48)</u>
Operating Expenses										
Instant Game Prizes	18,147,185.33	56.70	24,553,400.00	60.10	(6,406,214.67)	250,168,838.94	56.84	274,867,567.77	57.16	(24,698,728.83)
On-Line Game Prizes	3,357,120.99	10.49	2,592,500.00	6.35	764,620.99	42,076,790.27	9.56	42,069,432.23	8.75	7,358.04
Retailer Commissions	2,197,565.82	6.87	2,309,400.00	5.65	(111,834.18)	24,986,550.65	5.68	27,152,000.00	5.65	(2,165,449.35)
Gaming Contract Costs	1,574,003.52	4.92	1,961,500.00	4.80	(387,496.48)	21,873,542.16	4.97	24,560,000.00	5.11	(2,686,457.84)
Staff Compensation & Benefits	605,740.80	1.89	449,282.00	1.10	156,458.80	5,699,347.82	1.29	5,800,000.00	1.21	(100,652.18)
Marketing, Advertising & Promo	577,403.09	1.80	361,998.00	0.89	215,405.09	4,414,654.56	1.00	4,500,000.00	0.94	(85,345.44)
General and administrative ex	101,274.39	0.32	107,620.00	0.26	(6,345.61)	1,227,658.29	0.28	1,300,000.00	0.27	(72,341.71)
Services Provided by Other Age	110,000.01	0.34	129,200.00	0.32	(19,199.99)	1,458,880.01	0.33	1,550,000.00	0.32	(91,119.99)
Legal and Professional Service	285.00	0.00	7,950.00	0.02	(7,665.00)	22,507.54	0.01	95,000.00	0.02	(72,492.46)
Capital asset depreciation	<u>15,179.85</u>	0.05	<u>16,666.00</u>	0.04	<u>(1,486.15)</u>	<u>182,158.64</u>	0.04	<u>200,000.00</u>	0.04	<u>(17,841.36)</u>
Total Operating Expenses	<u>26,685,758.80</u>	83.39	<u>32,489,516.00</u>	79.52	<u>(5,803,757.20)</u>	<u>352,110,928.88</u>	80.01	<u>382,094,000.00</u>	79.46	<u>(29,983,071.12)</u>
Operating Income	5,317,124.55	16.61	8,367,784.00	20.48	(3,050,659.45)	87,997,708.64	19.99	98,766,000.00	20.54	(10,768,291.36)
Non-Operating Revenue (Expense)										
Interest Income	<u>28,473.34</u>	0.09	<u>26,700.00</u>	0.07	<u>1,773.34</u>	<u>322,721.61</u>	0.07	<u>320,000.00</u>	0.07	<u>2,721.61</u>
Income before transfers	<u>\$ 5,345,597.89</u>	16.70	<u>\$ 8,394,484.00</u>	20.55	<u>\$(3,048,886.11)</u>	<u>\$ 88,320,430.25</u>	20.07	<u>\$99,086,000.00</u>	20.61	<u>\$ (10,765,569.75)</u>

Arkansas Scholarship Commission
Net Proceeds Transfer to Ed Trust Computation
Modified Cash Basis
For the Year Ended June 30, 2013

	Year to date
Operating revenues:	
Instant ticket SETTLEMENTS	\$ 355,443,888.00
Online ticket sales	84,486,209.00
A/R write-offs	
Retailer application, fidelity and service fees	556,792.43
Other revenue	3,851.09
	440,490,740.52
 Total operating revenues	 440,490,740.52

Operating expenses:	
Instant game prizes SETTLEMENTS	248,829,913.06
Online game prizes	42,076,790.27
Retailer commissions	24,986,550.65
Gaming contract costs	21,873,542.16
Compensation and benefits	5,699,347.82
Marketing, advertising and promotions	4,414,654.56
General and administrative expenses	1,227,658.29
Services provided by ADHE	1,320,000.01
Services provided by Legislative Audit Agency	138,880.00
Legal and professional services	22,507.54
Current year Capital Asset cost	0.00
Total operating expenses	350,589,844.36

Change in net proceeds from operations 89,900,896.16

Nonoperating revenue (expense):	
Interest Income	322,721.61
Other Non Operating Income	
EDUCATION TRUST FUNDING-Current Year	(81,320,966.37)
Less Act 1180 Unclaimed Prizes	0.00
Less Transfer to ADHS	(200,000.00)
Less Current year Fidelity Fund fees	(21,354.42) restricted fund
Less Current year MUSL Reserves additions	(89,814.22) see 23-115-103(17) and (19)(A)&(B)

NET PROCEEDS EARNED-Current Month **\$ 8,591,482.76**

	Transfer	Interest	Total
Totals	\$ 37,456,875.47	\$ 767,533.53	\$ 38,224,409.00
July 2011 funding - 8/12/11	\$ 7,124,686.65	\$ 28,216.33	\$ 7,152,902.98
ADHE Refund for excess funding 8/1/11	\$ 12,430,211.12		\$ 12,430,211.12
June 2011 Audit Adjustments funding - 8/3/11	\$ 60,972.09		\$ 60,972.09
August transfer to ADHE 8/4/11	\$ (60,000,000.00)		\$ (60,000,000.00)
August 2011 funding - 9/14/11	\$ 7,531,880.34	\$ 11,673.25	\$ 7,543,553.59
September 2011 funding - 10/14/11	\$ 6,961,428.55	\$ 11,751.16	\$ 6,973,179.71
October transfer to ADHE 10/13/11	\$ (10,000,000.00)		\$ (10,000,000.00)
June 2011 Audit Adjustments funding - 11/15/11	\$ (102,990.22)		\$ (102,990.22)
October 2011 funding - 11/15/11	\$ 8,121,007.71	\$ 12,698.12	\$ 8,133,705.83
November 2011 funding - 12/15/11	\$ 7,980,208.54	\$ 13,917.97	\$ 7,994,126.51
December 2011 funding - 01/15/12	\$ 7,870,103.23	\$ 18,175.91	\$ 7,888,279.14
January 2012 funding - 02/15/12	\$ 5,500,806.07	\$ 21,940.75	\$ 5,522,746.82
February transfer to ADHE 2/2/12	\$ (45,000,000.00)		\$ (45,000,000.00)
February 2012 funding - 03/15/12	\$ 9,724,929.68	\$ 4,663.90	\$ 9,729,593.58
March 2012 funding - 04/15/12	\$ 12,820,077.29	\$ 7,295.76	\$ 12,827,373.05
April 2012 funding - 05/15/12	\$ 7,053,021.89	\$ 13,165.87	\$ 7,066,187.76
May 2012 funding - 06/15/12	\$ 7,553,944.47	\$ 17,709.57	\$ 7,571,654.04
June 2012 funding - 7/15/12	\$ 9,158,895.89	\$ 20,328.76	\$ 9,179,224.65
July 2012 funding - 8/15/12	\$ 4,727,442.68	\$ 25,058.83	\$ 4,752,501.51
ADHE Refund for excess funding 8/7/12	\$ 6,342,312.00		\$ 6,342,312.00
August transfer to ADHE 8/10/12	\$ (55,000,000.00)		\$ (55,000,000.00)
June 2012 Audit Adjustments funding - 9/15/12	\$ (72,247.92)		\$ (72,247.92)
August 2012 funding - 9/15/12	\$ 7,181,223.09	\$ 12,062.84	\$ 7,193,285.93
September 2012 funding - 10/15/12	\$ 6,576,892.46	\$ 8,064.30	\$ 6,584,956.76
October 2012 funding - 11/15/12	\$ 6,621,349.77	\$ 11,516.26	\$ 6,632,866.03
November 2012 funding - 12/15/12	\$ 8,429,441.15	\$ 14,494.44	\$ 8,443,935.59
December 2012 funding - 1/15/13	\$ 6,895,999.32	\$ 18,261.36	\$ 6,914,260.68
January 2013 funding - 2/15/13	\$ 6,516,869.09	\$ 22,084.00	\$ 6,538,953.09
February transfer to ADHE 2/1/13	\$ (45,000,000.00)		\$ (45,000,000.00)
February transfer to ADHE 2/8/13	\$ (10,000,000.00)		\$ (10,000,000.00)
February 2013 funding - 3/15/13	\$ 6,445,840.69	\$ 1,278.08	\$ 6,447,118.77
March transfer to ADHE 3/22/13	\$ (5,000,000.00)		\$ (5,000,000.00)
March 2013 funding - 4/15/13	\$ 9,773,520.45	\$ 1,752.38	\$ 9,775,272.83
April 2013 funding - 5/15/13	\$ 8,139,256.61	\$ 4,210.72	\$ 8,143,467.33
May 2013 funding - 6/15/13	\$ 9,886,108.67	\$ 8,239.18	\$ 9,894,347.85
June 2013 funding - 7/15/13	\$ 3,539,162.77	\$ 11,906.02	\$ 3,551,068.79
June 2013 Unclaimed Prize funding - 7/15/13	\$ 5,040,413.97		\$ 5,040,413.97

Arkansas Lottery Commission
Unclaimed Prizes
June 30, 2013

	Monthly	Year to Date
1. Unclaimed lottery prize money:	\$614,092.90	\$5,198,798.97
2. Expenditures from unclaimed lottery prize money:	0.00	158,385.00
3. Reserved for future prizes, promotions or reserves:	\$614,092.90	\$5,040,413.97
4. Deposits to net lottery proceeds from unclaimed Lottery prize money:	\$5,040,413.97	\$5,040,413.97

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

June 1 through June 30, 2013

Vendors	Goods or Services	Diversity Classification	June 2013	FY 2013 Total
BSW Advertising	Advertising/Public Relations	Minority-owned		\$4,293.89
Goddess Products	Office Furniture/Supplies	Minority-owned	\$918.45	\$6,638.30
CCI of Arkansas	Electrical Services	Minority-owned		\$659.66
Northeast Arkansas Cleaning Service	Janitorial Services	Female-owned	\$477.40	\$5,509.79
Party Prints	Advertising/Public Relations	Minority/Female-owned		\$5,737.48
Ride N Shine Detail	Auto Detail & Cosmetic Repair	Minority-owned		\$206.17
SHI International Corporation	Computer Software	Female-owned		\$7,236.60
Trivia Marketing	Advertising/Public Relations	Female-owned		\$116.21
Totals			\$1,395.85	\$30,398.10

INTRALOT MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT

May 1 through May 31, 2013*

Vendors	Goods or Services	Diversity Classification	May 2013	FY 2013 Total
Goddess Products	Office Furniture/Supplies	Minority-owned	\$250.26	\$1,248.86
J Kelly Referrals and Information Services	Call Center/Information Services	Minority-owned	\$15,537.39	\$144,465.40
Totals			\$15,787.65	\$145,714.26

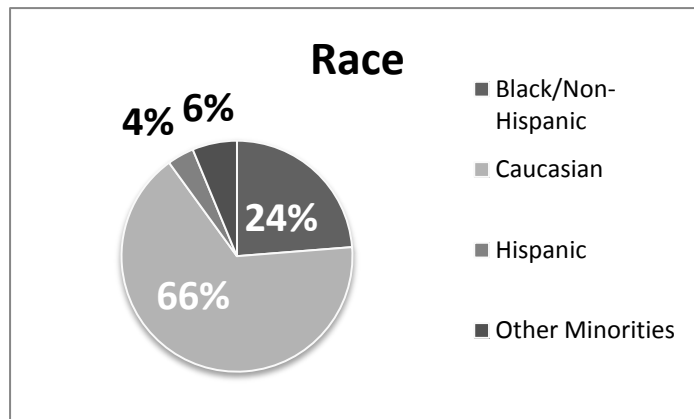
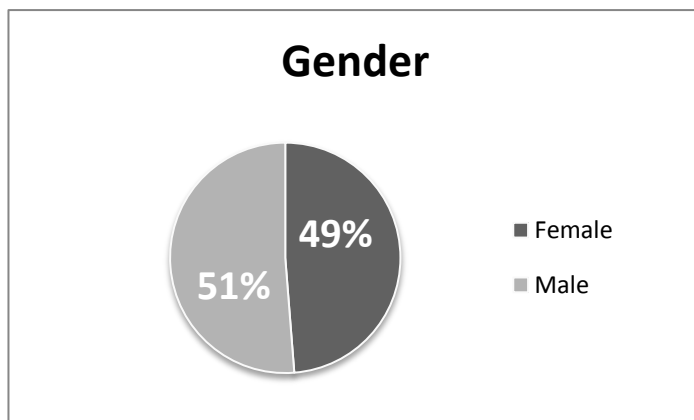
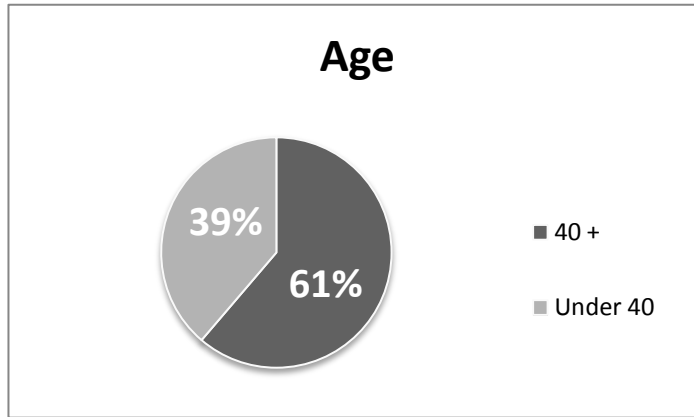
* June 2013 Report Pending

SCIENTIFIC GAMES MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT

June 1 through June 30, 2013

Vendors	Goods or Services	Diversity Classification	June 2013	FY 2013 Total
Central Copiers	Office Supplies/Equipment	Female-owned		\$980.60
Expedited Transportation Service	Transportation Services	Female-owned	\$8,594.95	\$175,031.86
Mr. Klean Carpet and Janitorial Service	Janitorial Services	Minority-owned	\$298.30	\$4,312.90
Premier Staffing	Staffing Services	Female-owned		\$823.44
Totals			\$8,893.25	\$181,148.80

**Arkansas Lottery Commission
Demographics – June 2013**



Total Number of Employees as of June 30, 2013: 80

Gender:

Females – 39
Males – 41

Race:

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

Hispanic – 3
Female - 2
Male - 1

Age:

Under 40 – 31
40 + – 49

Caucasian – 53
Female - 22
Male - 31

Other – 5
Female - 2
Male - 3

Arkansas Lottery Commission – Internal Audit
Arkansas Lottery Commission Legislative Oversight Committee Monthly Report
July 10, 2013

On June 24, 2013, the Arkansas Lottery Commission Internal Auditor (Internal Audit) presented results of the Accounting Close & Reporting Audit to members of the Arkansas Lottery Commission (ALC). The audit centered on the processes, controls, and procedures that assure that accounting transactions are completely and accurately recorded at the correct amount and appropriately reflected in the Lottery's interim, unaudited financial statements at the end of each accounting period for the period July 1, 2012 through March 31, 2013. The following observation was reported to the ALC:

- Inconsistency in application of standards regarding completion of bank and general ledger account reconciliations.

Internal Audit noted that some account reconciliations selected for testing included no documentation of who completed and reviewed the reconciliations. Additionally, one account reconciliation selected for testing was missing, and another included a mathematical error. ALC Management identified the completion / review documentation issue early in the fiscal year, and while improvement was noted throughout the year, it was not completely resolved subsequent to this identification. Finally, it should be noted that there are compensating controls where ALC Management places reliance that mitigate potential exposure resulting from reconciliations that do not indicate evidence of review and / or are missing for a given month.

Internal Audit recommended that ALC Management establish a standard account reconciliation policy that covers both bank and general ledger accounts, and provided additional suggestions regarding specifics of such a policy. ALC Management has responded stating that a process and procedures document that outlines expectations regarding account reconciliations will be developed, and that such document will address the primary considerations included in Internal Audit's recommendation. Follow-up audit procedures, when appropriate, are required in order for Internal Audit to consider the observation cleared.

Arkansas Lottery Commission
Instant & Fast Play Games
June 2013

Sales for the following instant games began June 4, 2013. No ending dates have been determined for these games.

\$1 Fast \$100

\$2 Fast \$200

\$5 Fast \$500

\$10 Fast \$5000

Sales for the following Fast Play games began June 3, 2013. No ending dates have been determined for these games.

\$1 Hot Cash

\$2 Bingo