



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>

April 10, 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 March 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 blue 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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April 10, 2017

Ms. Rebeca Haley  
Legislative Analyst  
Arkansas Legislative Council Lottery Oversight Subcommittee  
One Capitol Mall, Room R-501  
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Dear Ms. Haley:

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 March 2017, pursuant to A.C.A. §§ 23-115-206 and 23-115-302. The reports contain the following information:

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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  
March 1 through March 31, 2017**

No term contracts were entered into by the Arkansas Department of Finance and Administration Office of the Arkansas Lottery during the month of March 2017.

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

**1. Debt Set-Off:**

a.	Arkansas Department of Finance and Administration	\$9,196.65
b.	Arkansas Office of Child Support Enforcement - Child Support	<u>\$1,380.41</u>
	Total Debt Set-Off:	\$10,577.06

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

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**OFFICE OF THE ARKANSAS LOTTERY**  
**RETAIL SALES BY COUNTY**  
**March 1 through March 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	\$10,591.00	\$7,791.00	\$13,946.00	\$565,173.00	\$1,794.00	\$11,078.00	\$6,215.00	\$17,958.00	\$634,546.00
ASHLEY	\$11,899.50	\$14,878.50	\$7,422.00	\$159,900.00	\$1,934.00	\$5,966.00	\$2,222.00	\$12,707.00	\$216,929.00
BAXTER	\$1,803.50	\$2,401.00	\$10,347.00	\$377,846.00	\$6,778.00	\$16,227.00	\$10,294.00	\$28,175.00	\$453,871.50
BENTON	\$5,541.00	\$3,446.50	\$27,634.00	\$1,204,559.00	\$13,552.00	\$73,304.00	\$24,543.00	\$117,368.00	\$1,469,947.50
BOONE	\$2,152.00	\$2,574.50	\$15,298.00	\$536,163.00	\$2,698.00	\$14,306.00	\$6,016.00	\$23,237.00	\$602,444.50
BRADLEY	\$1,655.50	\$2,632.50	\$1,955.00	\$143,400.00	\$584.00	\$2,401.00	\$1,746.00	\$7,528.00	\$161,902.00
CALHOUN	\$4,129.00	\$893.50	\$1,362.00	\$50,666.00	\$288.00	\$1,365.00	\$642.00	\$2,072.00	\$61,417.50
CARROLL	\$367.50	\$730.50	\$6,572.00	\$284,288.00	\$1,614.00	\$8,940.00	\$2,792.00	\$14,953.00	\$320,257.00
CHICOT	\$9,913.50	\$6,724.00	\$4,306.00	\$198,000.00	\$4,728.00	\$21,121.00	\$6,599.00	\$43,350.00	\$294,741.50
CLARK	\$4,685.00	\$2,645.00	\$16,179.00	\$398,324.00	\$1,454.00	\$8,754.00	\$4,869.00	\$15,959.00	\$452,869.00
CLAY	\$317.00	\$24.00	\$1,659.00	\$99,900.00	\$660.00	\$2,353.00	\$1,561.00	\$4,865.00	\$111,339.00
CLEBURNE	\$858.00	\$364.00	\$16,670.00	\$328,660.00	\$2,896.00	\$12,444.00	\$10,147.00	\$19,712.00	\$391,751.00
CLEVELAND	\$458.00	\$466.00	\$868.00	\$64,500.00	\$98.00	\$1,281.00	\$1,023.00	\$3,069.00	\$71,763.00
COLUMBIA	\$14,629.00	\$8,317.50	\$18,625.00	\$399,329.00	\$1,636.00	\$7,223.00	\$3,044.00	\$12,363.00	\$465,166.50
CONWAY	\$5,164.00	\$1,806.00	\$11,472.00	\$526,488.00	\$1,934.00	\$11,579.00	\$7,640.00	\$19,587.00	\$585,670.00
CRAIGHEAD	\$11,554.50	\$6,090.00	\$28,228.00	\$1,461,822.00	\$5,692.00	\$34,597.00	\$17,302.00	\$57,270.00	\$1,622,555.50
CRAWFORD	\$1,276.00	\$756.00	\$13,791.00	\$412,655.00	\$3,108.00	\$22,120.00	\$10,677.00	\$34,747.00	\$499,130.00
CRITTENDEN	\$20,524.50	\$11,302.00	\$7,074.00	\$656,427.00	\$5,994.00	\$32,090.00	\$10,164.00	\$59,559.00	\$803,134.50
CROSS	\$3,085.00	\$1,771.50	\$11,164.00	\$302,875.00	\$822.00	\$5,732.00	\$3,042.00	\$9,724.00	\$338,215.50
DALLAS	\$1,102.50	\$705.00	\$3,014.00	\$179,497.00	\$568.00	\$3,028.00	\$2,510.00	\$5,759.00	\$196,183.50
DESHA	\$2,537.50	\$1,741.50	\$4,212.00	\$234,322.00	\$1,032.00	\$7,561.00	\$3,624.00	\$12,247.00	\$267,277.00
DREW	\$1,898.50	\$1,252.50	\$6,052.00	\$257,548.00	\$3,106.00	\$6,624.00	\$4,037.00	\$13,639.00	\$294,157.00
FAULKNER	\$10,741.50	\$4,906.50	\$47,405.00	\$1,338,051.00	\$8,760.00	\$45,827.00	\$31,062.00	\$79,226.00	\$1,565,979.00
FRANKLIN	\$493.50	\$353.00	\$7,707.00	\$194,170.00	\$1,250.00	\$7,828.00	\$3,144.00	\$12,504.00	\$227,449.50
FULTON	\$235.50	\$197.00	\$2,536.00	\$67,133.00	\$414.00	\$1,767.00	\$958.00	\$3,337.00	\$76,577.50
GARLAND	\$10,171.50	\$4,701.50	\$49,930.00	\$1,073,391.00	\$10,918.00	\$53,709.00	\$39,891.00	\$88,119.00	\$1,330,831.00
GRANT	\$715.00	\$223.00	\$5,959.00	\$158,339.00	\$1,466.00	\$5,529.00	\$3,796.00	\$9,573.00	\$185,600.00
GREENE	\$1,239.00	\$734.00	\$15,586.00	\$695,694.00	\$3,734.00	\$17,129.00	\$8,909.00	\$29,200.00	\$772,225.00
HEMPSTEAD	\$37,224.50	\$13,024.00	\$6,889.00	\$454,337.00	\$1,334.00	\$7,712.00	\$3,259.00	\$10,987.00	\$534,766.50
HOT SPRING	\$1,177.50	\$396.00	\$11,783.00	\$384,497.00	\$2,370.00	\$12,107.00	\$7,504.00	\$17,915.00	\$437,749.50

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
RETAIL SALES BY COUNTY  
March 1 through March 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	\$21,257.00	\$9,387.00	\$5,000.00	\$274,068.00	\$1,250.00	\$5,260.00	\$2,807.00	\$8,048.00	\$327,077.00
INDEPENDENCE	\$5,037.00	\$1,014.00	\$37,764.00	\$573,635.00	\$2,244.00	\$14,125.00	\$7,944.00	\$24,591.00	\$666,354.00
IZARD	\$480.00	\$101.50	\$11,608.00	\$125,098.00	\$504.00	\$3,723.00	\$2,869.00	\$6,345.00	\$150,728.50
JACKSON	\$13,939.00	\$8,867.00	\$10,236.00	\$361,528.00	\$1,788.00	\$8,023.00	\$5,015.00	\$13,531.00	\$422,927.00
JEFFERSON	\$48,818.00	\$32,266.50	\$41,699.00	\$1,814,223.00	\$8,450.00	\$37,085.00	\$27,572.00	\$61,463.00	\$2,071,576.50
JOHNSON	\$490.50	\$395.50	\$5,776.00	\$275,078.00	\$1,388.00	\$7,921.00	\$4,439.00	\$14,438.00	\$309,926.00
LAFAYETTE	\$6,169.50	\$1,633.00	\$2,039.00	\$85,800.00	\$646.00	\$1,447.00	\$698.00	\$2,632.00	\$101,064.50
LAWRENCE	\$1,073.00	\$359.00	\$8,817.00	\$261,212.00	\$1,108.00	\$4,711.00	\$2,354.00	\$8,924.00	\$288,558.00
LEE	\$2,737.50	\$3,419.00	\$836.00	\$92,700.00	\$342.00	\$2,126.00	\$646.00	\$3,635.00	\$106,441.50
LINCOLN	\$264.00	\$486.00	\$7,681.00	\$133,500.00	\$758.00	\$3,068.00	\$2,376.00	\$5,336.00	\$153,469.00
LITTLE RIVER	\$4,241.00	\$3,603.00	\$3,844.00	\$114,760.00	\$510.00	\$3,525.00	\$1,103.00	\$5,132.00	\$136,718.00
LOGAN	\$1,209.50	\$327.50	\$8,933.00	\$239,459.00	\$1,300.00	\$8,034.00	\$3,798.00	\$13,187.00	\$276,248.00
LONOKE	\$11,439.00	\$6,095.00	\$25,396.00	\$1,066,898.00	\$7,572.00	\$34,293.00	\$20,520.00	\$56,368.00	\$1,228,581.00
MADISON	\$229.00	\$8.00	\$905.00	\$85,500.00	\$764.00	\$4,212.00	\$1,687.00	\$6,409.00	\$99,714.00
MARION	\$2,285.50	\$671.00	\$5,533.00	\$173,322.00	\$2,498.00	\$5,753.00	\$4,488.00	\$9,936.00	\$204,486.50
MILLER	\$20,466.00	\$10,946.00	\$10,335.00	\$576,132.00	\$3,036.00	\$13,394.00	\$5,440.00	\$21,108.00	\$660,857.00
MISSISSIPPI	\$42,526.50	\$18,361.00	\$6,975.00	\$563,419.00	\$2,022.00	\$12,724.00	\$4,579.00	\$22,135.00	\$672,741.50
MONROE	\$2,193.50	\$1,232.00	\$2,161.00	\$155,637.00	\$498.00	\$4,397.00	\$2,252.00	\$8,461.00	\$176,831.50
MONTGOMERY	\$11.00	\$42.00	\$1,767.00	\$29,100.00	\$472.00	\$2,025.00	\$921.00	\$3,519.00	\$37,857.00
NEVADA	\$2,089.50	\$2,179.50	\$3,246.00	\$219,296.00	\$870.00	\$3,255.00	\$1,371.00	\$4,933.00	\$237,240.00
NEWTON	\$13.00	\$29.00	\$6,153.00	\$55,200.00	\$164.00	\$1,759.00	\$810.00	\$2,251.00	\$66,379.00
OUACHITA	\$12,721.00	\$6,259.00	\$15,754.00	\$650,276.00	\$1,908.00	\$9,380.00	\$5,745.00	\$16,391.00	\$718,434.00
PERRY	\$571.00	\$554.50	\$1,097.00	\$87,300.00	\$372.00	\$3,693.00	\$1,785.00	\$6,097.00	\$101,469.50
PHILLIPS	\$7,938.50	\$4,348.50	\$736.00	\$202,005.00	\$1,866.00	\$15,138.00	\$3,008.00	\$26,953.00	\$261,993.00
PIKE	\$564.00	\$105.00	\$14,363.00	\$118,008.00	\$714.00	\$4,548.00	\$2,941.00	\$7,797.00	\$149,040.00
POINSETT	\$6,010.50	\$1,175.00	\$10,569.00	\$445,559.00	\$1,344.00	\$9,619.00	\$5,048.00	\$15,980.00	\$495,304.50
POLK	\$635.50	\$14.00	\$5,997.00	\$124,953.00	\$1,418.00	\$7,283.00	\$3,133.00	\$12,476.00	\$155,909.50
POPE	\$3,360.00	\$1,640.50	\$21,815.00	\$834,265.00	\$5,018.00	\$28,686.00	\$15,914.00	\$47,964.00	\$958,662.50
PRAIRIE	\$1,838.50	\$995.00	\$6,993.00	\$228,978.00	\$452.00	\$3,417.00	\$1,510.00	\$6,517.00	\$250,700.50
PULASKI	\$113,172.50	\$102,608.00	\$227,953.00	\$7,209,378.00	\$54,616.00	\$224,189.00	\$150,552.00	\$348,904.00	\$8,431,372.50
RANDOLPH	\$101.00	\$329.00	\$5,480.00	\$223,900.00	\$1,424.00	\$5,892.00	\$2,470.00	\$8,718.00	\$248,314.00

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
RETAIL SALES BY COUNTY  
March 1 through March 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	\$15,710.00	\$14,138.00	\$4,073.00	\$387,210.00	\$1,956.00	\$9,511.00	\$4,069.00	\$18,150.00	\$454,817.00
SALINE	\$11,873.50	\$5,681.50	\$47,122.00	\$1,241,007.00	\$10,300.00	\$48,279.00	\$32,831.00	\$79,959.00	\$1,477,053.00
SCOTT	\$243.50	\$43.50	\$1,447.00	\$91,409.00	\$658.00	\$4,020.00	\$1,929.00	\$6,843.00	\$106,593.00
SEARCY	\$71.00	\$365.00	\$1,079.00	\$96,970.00	\$660.00	\$2,274.00	\$1,398.00	\$4,733.00	\$107,550.00
SEBASTIAN	\$20,580.50	\$6,248.50	\$12,009.00	\$813,733.00	\$10,338.00	\$58,470.00	\$27,889.00	\$89,375.00	\$1,038,643.00
SEVIER	\$2,366.50	\$1,049.00	\$2,031.00	\$129,587.00	\$892.00	\$4,645.00	\$1,580.00	\$7,594.00	\$149,744.50
SHARP	\$831.00	\$321.00	\$18,129.00	\$266,102.00	\$1,294.00	\$7,176.00	\$4,655.00	\$12,737.00	\$311,245.00
STONE	\$1,357.00	\$191.50	\$3,858.00	\$100,048.00	\$1,022.00	\$3,752.00	\$3,445.00	\$6,680.00	\$120,353.50
UNION	\$63,063.50	\$27,128.00	\$23,434.00	\$1,026,990.00	\$4,842.00	\$18,819.00	\$8,210.00	\$32,122.00	\$1,204,608.50
VAN BUREN	\$1,013.50	\$824.00	\$7,175.00	\$183,082.00	\$1,448.00	\$6,070.00	\$3,498.00	\$10,705.00	\$213,815.50
WASHINGTON	\$15,537.50	\$8,087.50	\$28,660.00	\$1,533,442.00	\$14,004.00	\$75,246.00	\$33,010.00	\$120,441.00	\$1,828,428.00
WHITE	\$8,458.50	\$5,414.50	\$75,367.00	\$1,228,039.00	\$5,292.00	\$30,014.00	\$19,023.00	\$49,204.00	\$1,420,812.00
WOODRUFF	\$3,783.50	\$1,589.50	\$1,095.00	\$117,900.00	\$486.00	\$2,891.00	\$1,633.00	\$4,770.00	\$134,148.00
YELL	\$1,436.00	\$98.00	\$17,114.00	\$293,760.00	\$1,156.00	\$7,650.00	\$4,089.00	\$12,304.00	\$337,607.00

<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>
	<b>\$658,347.00</b>	<b>\$394,478.50</b>	<b>\$1,135,699.00</b>	<b>\$38,117,420.00</b>	<b>\$254,880.00</b>	<b>\$1,233,224.00</b>	<b>\$682,286.00</b>	<b>\$2,042,505.00</b>	<b>\$44,518,839.50</b>

\*Estimates

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

There were 1,907 active retailers as of March 31, 2017.



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

**ASSETS**

<b>Current assets:</b>	
Cash and cash equivalents	\$ 4,100,471.80
Restricted assets:	
Cash and cash equivalents	23,890,980.07
Accounts receivable	11,209,590.74
Prepaid items	28,980.95
Total current assets	<u>39,230,023.56</u>
<b>Non-current assets:</b>	
Restricted assets:	
Cash and cash equivalents	20,155,078.08
Deposits with Multi-State Lottery Association	1,929,698.64
Capital assets (Net of accumulated depreciation)	408,967.66
Total non-current assets	<u>22,493,744.38</u>
 Total assets	 61,723,767.94
<b>Deferred outflows of resources:</b>	
Related to pension	<u>1,130,744.92</u>
 Total assets and deferred outflows of resources	 <u>\$ 62,854,512.86</u>

**LIABILITIES**

<b>Current liabilities:</b>	
Accounts payable	\$ 124,595.00
Prizes payable	15,950,807.13
Accrued and other liabilities	2,404,462.09
Due to other funds of the State	503,657.92
Payable to ADHE for Education Trust Account	17,407,277.84
Compensated absences	321,418.03
Unearned revenue	297,925.63
Total current liabilities	<u>37,010,143.64</u>
<b>Long-Term liabilities:</b>	
Net other post employment benefits	2,320,608.19
Net pension liability	4,144,582.00
Total long-term liabilities	<u>6,465,190.19</u>
 Total liabilities	 43,475,333.83
<b>Deferred inflows of resources:</b>	
Related to pension	<u>665,543.75</u>
 Total liabilities and deferred inflows of resources	 <u>44,140,877.58</u>

**NET POSITION**

<b>Net position:</b>	
Invested in capital assets	408,967.66
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer fidelity reserve	155,078.08
Retailer bond reserve	347,012.55
Deposits with Multi-State Lottery Association	1,929,698.64
Unclaimed prizes reserve	6,483,702.23
Unrestricted (deficit)	<u>(10,610,823.88)</u>
 Total net position	 <u>18,713,635.28</u>
 Total liabilities, deferred inflows of resources and net position	 <u>\$ 62,854,512.86</u>

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

	Current month	Year to date
<b>Operating revenues:</b>		
Instant ticket sales	\$ 36,895,379.00	\$ 272,178,390.00
Online ticket sales	6,452,660.00	61,753,737.00
Retailer application, fidelity, bond and service fees	57,035.56	607,264.39
Other revenue	<u>467.00</u>	<u>3,236.02</u>
 Total operating revenues	 <u>43,405,541.56</u>	 <u>334,542,627.41</u>
 <b>Operating expenses:</b>		
Instant game prizes	26,741,138.43	194,054,292.53
Online game prizes	3,570,282.85	32,765,107.43
Retailer commissions	2,459,252.60	18,807,639.29
Gaming contract costs	1,954,651.46	14,300,859.39
Compensation and benefits	444,640.36	3,827,543.94
Marketing, advertising and promotions	588,255.10	4,658,772.66
General and administrative expenses	388,433.96	2,813,610.44
Services provided by Arkansas Department of Higher Education	36,666.00	329,994.00
Audit services provided by Arkansas Legislative Audit	12,000.00	108,000.00
Legal and professional services	299.77	1,424.21
Depreciation	<u>8,096.20</u>	<u>72,237.00</u>
 Total operating expenses	 <u>36,203,716.73</u>	 <u>271,739,480.89</u>
 Operating income (1)	 7,201,824.83	 62,803,146.52
 <b>Non-operating revenue:</b>		
Interest income	<u>46,152.99</u>	<u>307,332.75</u>
 Income before transfers	 7,247,977.82	 63,110,479.27
 <b>Transfers to:</b>		
Education Trust Account (2)	<u>(6,204,704.75)</u>	<u>(57,169,080.52)</u>
 Change in net position	 <u>\$ 1,043,273.07</u>	 5,941,398.75
 Total net position - beginning		 12,772,236.53
Total net position - ending		<u>\$ 18,713,635.28</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 the Nine Months Ended March 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	\$ 36,895,379.00	85.00	\$ 37,000,000.00	84.35	\$ (104,621.00)	\$ 272,178,390.00	81.36	\$ 287,310,000.00	82.85	\$ (15,131,610.00)
Online games	6,452,660.00	14.87	6,805,000.00	15.51	(352,340.00)	61,753,737.00	18.46	58,856,000.00	16.97	2,897,737.00
Retailer fees	57,035.56	0.13	59,000.00	0.13	(1,964.44)	607,264.39	0.18	611,000.00	0.18	(3,735.61)
Other revenue	<u>467.00</u>	0.00	<u>1,000.00</u>	0.00	<u>(533.00)</u>	<u>3,236.02</u>	0.00	<u>9,000.00</u>	0.00	<u>(5,763.98)</u>
Total operating revenues	<u>43,405,541.56</u>	100.00	<u>43,865,000.00</u>	100.00	<u>(459,458.44)</u>	<u>334,542,627.41</u>	100.00	<u>346,786,000.00</u>	100.00	<u>(12,243,372.59)</u>
<b>Operating expenses:</b>										
Instant game prizes	26,741,138.43	61.61	26,610,555.00	60.66	130,583.43	194,054,292.53	58.01	206,194,606.00	59.46	(12,140,313.47)
Online game prizes	3,570,282.85	8.23	3,661,445.00	8.35	(91,162.15)	32,765,107.43	9.79	31,576,294.00	9.11	1,188,813.43
Retailer commissions	2,459,252.60	5.67	2,499,600.00	5.70	(40,347.40)	18,807,639.29	5.62	19,754,600.00	5.70	(946,960.71)
Gaming contract costs	1,954,651.46	4.50	2,123,200.00	4.84	(168,548.54)	14,300,859.39	4.27	16,487,100.00	4.75	(2,186,240.61)
Compensation & benefits	444,640.36	1.02	458,300.00	1.04	(13,659.64)	3,827,543.94	1.14	3,905,000.00	1.13	(77,456.06)
Marketing, advertising & promotions	588,255.10	1.36	443,700.00	1.01	144,555.10	4,658,772.66	1.39	4,448,200.00	1.28	210,572.66
General and administrative expenses	388,433.96	0.89	397,300.00	0.91	(8,866.04)	2,813,610.44	0.84	3,310,600.00	0.95	(496,989.56)
Services provided by other agencies	48,666.00	0.11	35,000.00	0.08	13,666.00	437,994.00	0.13	445,000.00	0.13	(7,006.00)
Legal and professional service	299.77	0.00	1,700.00	0.00	(1,400.23)	1,424.21	0.00	15,000.00	0.00	(13,575.79)
Depreciation	<u>8,096.20</u>	0.02	<u>11,100.00</u>	0.03	<u>(3,003.80)</u>	<u>72,237.00</u>	0.02	<u>85,700.00</u>	0.02	<u>(13,463.00)</u>
Total operating expenses	<u>36,203,716.73</u>	83.41	<u>36,241,900.00</u>	82.62	<u>(38,183.27)</u>	<u>271,739,480.89</u>	81.23	<u>286,222,100.00</u>	82.54	<u>(14,482,619.11)</u>
Operating income	7,201,824.83	16.59	7,623,100.00	17.38	(421,275.17)	62,803,146.52	18.77	60,563,900.00	17.46	2,239,246.52
<b>Non-operating revenue:</b>										
Interest income	<u>46,152.99</u>	0.11	<u>8,000.00</u>	0.02	<u>38,152.99</u>	<u>307,332.75</u>	0.09	<u>87,000.00</u>	0.03	<u>220,332.75</u>
Income before transfers	<u>\$ 7,247,977.82</u>	16.70	<u>\$ 7,631,100.00</u>	17.40	<u>\$ (383,122.18)</u>	<u>\$ 63,110,479.27</u>	18.86	<u>\$ 60,650,900.00</u>	17.49	<u>\$ 2,459,579.27</u>

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

	Year to date
<b>Operating revenues:</b>	
Instant ticket SETTLEMENTS	\$ 272,650,125.00
Online ticket sales	61,753,737.00
Retailer application, fidelity and service fees	607,264.39
Other revenue	3,236.02
	335,014,362.41
<b>Total operating revenues</b>	<b>335,014,362.41</b>

<b>Operating expenses:</b>	
Instant game prizes SETTLEMENTS	195,007,169.00
Online game prizes	32,765,107.43
Retailer commissions	18,807,639.29
Gaming contract costs	14,300,859.39
Compensation and benefits	3,827,543.94
Marketing, advertising and promotions	4,658,772.66
General and administrative expenses	2,813,610.44
Services provided by ADHE	329,994.00
Services provided by Legislative Audit Agency	108,000.00
Legal and professional services	1,424.21
Current year Capital Asset cost	104,787.40
	272,724,907.76
<b>Total operating expenses</b>	<b>272,724,907.76</b>

Change in net proceeds from operations 62,289,454.65

<b>Nonoperating revenue (expense):</b>	
Interest Income	307,332.75
Other Non-Operating Income	0.00
EDUCATION TRUST FUNDING-Current Year	(50,964,375.77)
Less Act 1180 Unclaimed Prizes	(5,483,702.23)
Less Current year Fidelity Reserve Fees	(18,177.90) <span style="float: right;">restricted reserves</span>
Less Current year Bond Reserve Fees	(183,140.00) <span style="float: right;">restricted reserves</span>
Less Current year MUSL Reserves (additions) / reductions	(82,087.75) <span style="float: right;">see 23-115-103(17) and (19)(A)&amp;(B)</span>
Add OPEB expense in Comp and Benefits	339,401.00
	339,401.00

**NET PROCEEDS EARNED-Current Month** **\$ 6,204,704.75**

	Transfer	Interest	Total
<b>Totals</b>	<b>\$ 16,332,762.24</b>	<b>\$ 1,074,515.60</b>	<b>\$ 17,407,277.84</b>
July 2015 funding - 8/15/15	\$ 5,776,292.31	\$ 8,390.78	\$ 5,784,683.09
June 2015 Audit Adjustments - funding 9/15/15	\$ (31,903.86)		\$ (31,903.86)
August 2015 funding - 9/15/15	\$ 5,478,001.52	\$ 12,092.48	\$ 5,490,094.00
September transfer to ADHE 9/11/15	\$ (33,000,000.00)		\$ (33,000,000.00)
Transfer from Shortfall Reserve 9/28/15	\$ 9,000,000.00		\$ 9,000,000.00
September transfer to ADHE 9/30/15	\$ (9,000,000.00)		\$ (9,000,000.00)
September 2015 funding - 10/15/15	\$ 6,620,285.47	\$ 4,681.64	\$ 6,624,967.11
June 2015 Final Adjustment - funding 10/15/15	\$ 201,027.87		\$ 201,027.87
Transfer to Shortfall Reserve 10/15/15	\$ (7,034,638.82)		\$ (7,034,638.82)
October 2015 funding - 11/15/15	\$ 6,020,616.60	\$ 25.72	\$ 6,020,642.32
ADHE Refund for excess scholarship funding 11/14	\$ 286,177.97		\$ 286,177.97
Transfer to Shortfall Reserve 11/15/15	\$ (1,965,361.18)		\$ (1,965,361.18)
November 2015 funding - 12/15/15	\$ 5,723,851.53	\$ 1,287.56	\$ 5,725,139.09
December 2015 funding - 1/15/16	\$ 6,421,742.32	\$ 4,012.34	\$ 6,425,754.66
January 2016 funding - 2/15/16	\$ 13,825,217.24	\$ 6,142.51	\$ 13,831,359.75
Transfer From Shortfall Reserve 2/8/16	\$ 4,676,287.39		\$ 4,676,287.39
Transfer to ADHE 2/9/16	\$ (35,000,000.00)		\$ (35,000,000.00)
February 2016 funding - 3/15/16	\$ 4,471,591.20	\$ 2,764.86	\$ 4,474,356.06
Transfer to Shortfall Reserve - 3/15/16	\$ (4,474,356.06)		\$ (4,474,356.06)
March 2016 funding - 4/15/16	\$ 5,758,892.51	\$ 0.33	\$ 5,758,892.84
Transfer to Shortfall Reserve - 4/15/16	\$ (201,931.33)		\$ (201,931.33)
April 2016 funding - 5/15/16	\$ 7,391,329.77	\$ 1,507.23	\$ 7,392,837.00
May 2016 funding - 6/15/16	\$ 6,601,034.42	\$ 5,130.52	\$ 6,606,164.94
June 2016 funding - 7/15/16	\$ 11,241,076.28	\$ 8,144.09	\$ 11,249,220.37
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

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

	Monthly	Year to Date
Reserve Balance July 1, 2016		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 429,634.96	5,483,702.23
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	\$ 429,634.96	5,483,702.23
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
 Reserve Balance March 31, 2017		 \$6,483,702.23

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION  
OFFICE OF THE ARKANSAS LOTTERY  
MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
March 1 through March 31, 2017**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>March 2017</b>	<b>FY 2017 Total</b>
A-Absolute Moving & Hauling	Moving/Hauling	CMBE		\$1,073.35
Allegra Print & Imaging	Advertising/Public Relations	FOB	\$9,595.24	\$11,511.39
BSW Advertising	Advertising/Public Relations	FOB		\$36,561.33
Goddess Products	Office Furniture/Supplies	CMBE	\$1,500.48	\$16,610.61
Government Supply Services	Office Products	MBE	\$66.56	\$1,240.71
Party Prints	Advertising/Public Relations	CMBE		\$32,492.90
Trivia Marketing	Advertising/Public Relations	WBE		\$681.25
<b>Totals</b>			<b>\$11,162.28</b>	<b>\$100,171.54</b>

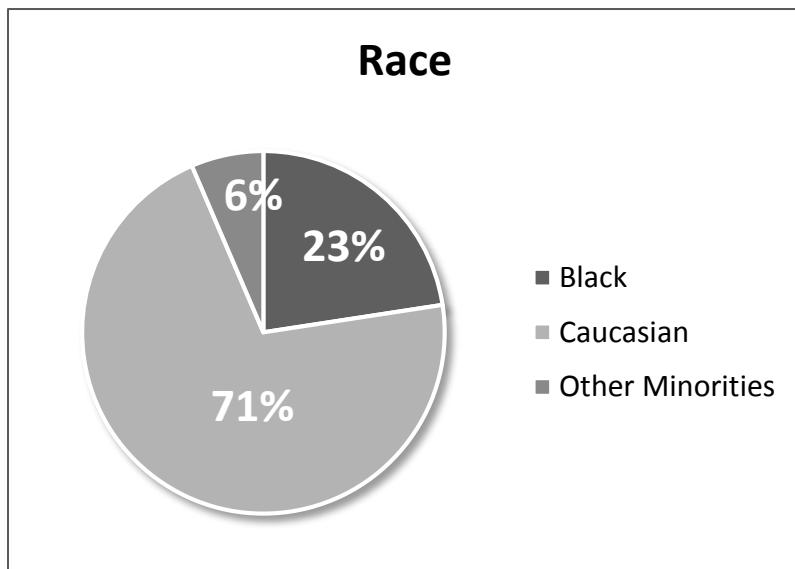
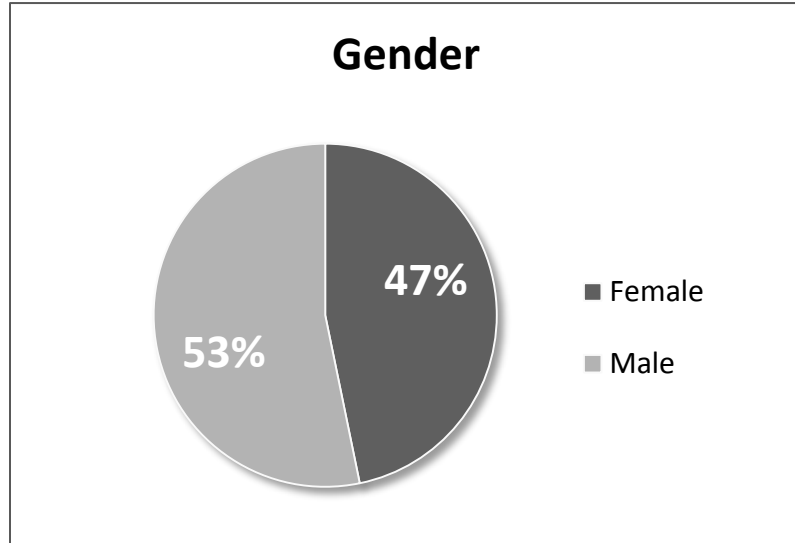
**INTRALOT MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT  
March 1 through March 31, 2017**

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>March 2017</b>	<b>FY 2017 Total</b>
J Kelly Referrals and Information Services	Call Center/Information Services	CMBE	\$12,693.00	\$84,620.00
<b>Totals</b>			<b>\$12,693.00</b>	<b>\$84,620.00</b>

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

<b>Vendors</b>	<b>Goods or Services</b>	<b>Diversity Classification</b>	<b>March 2017</b>	<b>FY 2017 Total</b>
Central Copiers	Office Products	FOB		\$111.18
Expedited Transportation Services	Transportation Services	FOB	\$4,240.84	\$21,531.43
Ingage, LLC	Fulfillment Services and Prizes	FOB	\$29,977.89	\$208,487.61
Mr. Klean's Carpet and Janitorial Service	Janitorial Services	MBE	\$396.00	\$3,564.00
Premier Staffing	Employment Agency	MBE	\$2,007.83	\$2,007.83
<b>Totals</b>			<b>\$36,622.56</b>	<b>\$235,702.05</b>

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



**Total Number of Employees as of March 31, 2017: 62**

**Gender:**

Females – 29  
Males – 33

**Race:**

Black – 14  
Caucasian – 44  
Other – 4

Female -- 8	Male -- 6
Female -- 20	Male -- 24
Female -- 1	Male -- 3

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

During the reporting period, the Office of the Arkansas Lottery (OAL) Internal Auditor (Internal Audit) issued the following reports:

Back Office System (BOS) Administration Follow-Up Audit

Follow-up audit procedures were performed relative to Internal Audit observations reported to the Lottery Oversight Subcommittee on September 12, 2016. Follow-up procedures centered on OAL Management's implementation of controls, procedures, and / or processes to address the observations noted in the earlier fiscal year 2017 audit of the BOS Administration process, and included inspection of user access review reports and documentation of Management review of those reports for the period July 5, 2016 through February 2, 2017. Internal Audit concluded that OAL Management has effectively implemented updates and changes to BOS Administration processes since the initial audit and now considers the observations noted in that audit to be cleared.

Cash Management & Receipts Follow-Up Audit

Follow-up audit procedures were performed relative to Internal Audit observations reported to the Lottery Oversight Subcommittee on November 10, 2016. Follow-up procedures centered on OAL Management's implementation of controls, procedures, and / or processes to address the observations noted in the earlier fiscal year 2017 audit of the Cash Management & Receipts process, and included inspection of internally-maintained cash and check deposit logs, inspection of bank statements, and inspection of cash deposit documentation for the period September 1, 2016 through February 28, 2017. Internal Audit concluded that OAL Management has effectively implemented updates and changes to Cash Management & Receipts processes since the initial audit and now considers the observations noted in that audit to be cleared.

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



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

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

Sales for the following Fast Play games began March 6, 2017. No ending dates have been determined for this game.

**\$1 Find the 9's**

**\$1 In Between**