



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>

June 10,2023

The Honorable Sarah Huckabee Sanders
Governor of Arkansas
State Capitol
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Dear Governor Sanders:

On behalf of the Arkansas of 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 May 2023. The report contains the following:

- 1.Contracts Awarded
- 2.Debt Set-off Collections
- 3.Retailer Losses
- 4.Breakdown of Lottery Sales per County
- 5.Total Number of Retailers
- 6.Revenue and Expenses
- 7.Net Position
- 8.Lottery Scholarship Account
- 9.Unclaimed Prize Report
- 10.ADHE
- 11.Instant Ticket Games Releases
- 12.DFA Office of the Arkansas Lottery Minority& Female owned Business Report
- 13.Internal Auditor Reports

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

Respectfully submitted,

J. Eric Hagler
Director

Enclosures

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



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June 12,2023

The Honorable Ronald Caldwell, Co-Chair
The Honorable Mindy McAlindon, Co-Chair

One Capitol Mall Room R-501
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Dear Senator Caldwell and Representative McAlindon:

On behalf of the Arkansas of 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 May 2023. The report contains the following:

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Section 1
Contracts Awarded

Arkansas Department of Finance and Administration

Office Arkansas Lottery

Term Contracts for Goods and Services

May 1 through May 31, 2023



Office of the Arkansas Lottery executed the first extension from the original contract with Bank of OZK. The effective date of this extension is September 2, 2023, through September 2, 2024.

**FIRST EXTENSION AND AMENDMENT OF
AGREEMENT AND CONTRACT FOR
COMPREHENSIVE BANKING SERVICES**

THIS AGREEMENT, dated effective as of September 2, 2023, by and between the Department of Finance and Administration Office of the Lottery (“OAL” or “the Lottery”), 124 West Capitol Avenue, Little Rock, AR 72201, and Bank OZK (“Bank OZK”), 18000 Cantrell Road, Little Rock, AR 72223, witnesses that the Parties have made the agreements set forth below:

RECITALS

WHEREAS, the State of Arkansas has, pursuant to Arkansas law, established OAL and authorized the Director of OAL (“Director”) to enter into contracts for the operation and promotion of the Lottery; and

WHEREAS, OAL sent out letters of inquiry (Requests for Quotes or “RFQ”) to different financial institutions and by letter of January 21, 2021, Bank OZK submitted a Banking Services Proposal in response to OAL’s required specifications concerning this small procurement no cost contractual agreement; and

WHEREAS, the Parties entered into an Agreement and Contract for Comprehensive Banking Services effective September 1, 2021 (“original agreement and contract for comprehensive banking services” or “original contract”); and

NOW, THEREFORE, in consideration of the above premises, and the mutual promises set forth below, and subject to compliance with Arkansas Law, OAL and Bank OZK, with this first extension and amendment of agreement (the “first extension and amendment of agreement and contract for comprehensive banking services” or “first extension and amendment”) hereby contract as follows:


AGREEMENTS

1. **Term of First Extension and Amendment:** The Parties mutually agree to exercise the option set forth in the original contract of September 1, 2021, to extend the term of the original contract for a period of one (1) year, with an effective date of September 2, 2023, to September 2, 2024, with the option of mutually agreeing to two (2) one (1) year extensions, all as is set forth in the original contract.

2. Amendment as to Terms of Compensation: Interest shall be paid at the Federal Funds Target Rate minus 1.25% (or 125 basis points) with a floor of .0.37% APY (or 37 basis points), and no ceiling. Treasury Management Services will be waived.
3. All other provisions of the original contract shall remain in full force and effect with the exception of those provisions that are in conflict with this first extension and amendment, as are specifically set forth in this first extension and amendment.

IN WITNESS WHEREOF, the Parties have executed this First Extension and Amendment of Agreement and Contract for Comprehensive Banking Services.

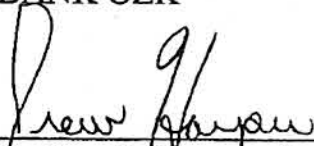
DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY



J. Eric Hagler
Director, Office of the Arkansas Lottery

Date 05/24/23

BANK OZK



Andrew L. Harper, Jr.
Managing Director, Wholesale Deposits Group

Date 05.23.2023



Sections 2&3
Debt Set-Off Collections/Retailer
Losses

Department of Finance & Administration
Office of the Arkansas Lottery
Retailer Loss/Debt Set-Off/ Income Tax
May 2023

As of 05/31/2023

Retailer losses \$0

Arkansas Debt Set-Off	May-23	Total Since Inception
Department of Finance and Administration	\$ 11,658.26	\$ 1,700,238.56
Office of Child Support Enforcement	\$ 1,934.36	\$ 682,928.20
Total Debt Set-Off	\$ 13,592.62	\$ 2,383,166.76

Income Taxes Withheld	May-23	Total Since Inception
Federal	\$ 1,249,290.00	\$ 131,034,281.00
State	\$ 255,040.00	\$ 35,551,094.00
Total Income Taxes Withheld	\$ 1,504,330.00	\$ 166,585,375.00



Section 4
Breakdown of Lottery Sales per
County

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
May 1 through May 31, 2023

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LOTTO	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
ARKANSAS	\$16,395.00	\$12,397.00	\$8,101.00	\$429,638.00	\$3,924.00	\$2,978.00	\$6,972.00	\$3,461.00	\$10,676.00	\$94,542.00
ASHLEY	\$15,455.00	\$20,837.00	\$10,120.00	\$265,862.00	\$1,704.00	\$1,752.00	\$4,979.00	\$1,588.00	\$9,920.00	\$332,217.00
BAXTER	\$3,657.00	\$3,145.50	\$12,363.00	\$93,498.00	\$5,793.00	\$8,912.00	\$10,062.00	\$10,008.00	\$29,299.00	\$78,612.50
BENTON	\$9,755.00	\$3,571.50	\$19,750.00	\$1,591,374.00	\$23,898.00	\$23,966.00	\$70,503.00	\$22,032.00	\$114,715.00	\$1,878,904.50
BOONE	\$3,309.00	\$2,023.00	\$16,848.00	\$456,197.00	\$3,472.00	\$2,130.00	\$11,334.00	\$4,069.00	\$18,349.00	\$517,731.00
BRADLEY	\$2,037.50	\$2,866.50	\$2,313.00	\$171,979.00	\$1,334.00	\$1,210.00	\$2,159.00	\$1,188.00	\$3,453.00	\$188,540.00
CALHOUN	\$3,029.50	\$369.50	\$1,998.00	\$55,529.00	\$432.00	\$874.00	\$555.00	\$442.00	\$1,455.00	\$64,664.00
CARROLL	\$796.50	\$456.50	\$9,701.00	\$284,032.00	\$2,242.00	\$2,242.00	\$7,907.00	\$2,920.00	\$12,417.00	\$322,714.00
CHICOT	\$7,321.00	\$3,322.50	\$3,355.00	\$209,950.00	\$2,072.00	\$3,220.00	\$5,896.00	\$1,911.00	\$10,127.00	\$247,174.50
CLARK	\$4,220.00	\$1,512.00	\$19,005.00	\$410,045.00	\$4,880.00	\$4,060.00	\$7,602.00	\$4,230.00	\$12,544.00	\$468,108.00
CLAY	\$877.50	\$11.00	\$3,398.00	\$150,056.00	\$1,380.00	\$2,052.00	\$2,274.00	\$1,110.00	\$4,382.00	\$165,540.50
CLEBURNE	\$3,263.50	\$2,326.50	\$20,024.00	\$348,762.00	\$5,542.00	\$6,064.00	\$10,979.00	\$6,170.00	\$17,167.00	\$420,298.00
CLEVELAND	\$677.50	\$262.50	\$2,994.00	\$61,098.00	\$444.00	\$1,664.00	\$1,149.00	\$451.00	\$1,883.00	\$70,623.00
COLUMBIA	\$18,721.50	\$8,721.50	\$9,502.00	\$402,508.00	\$1,614.00	\$2,950.00	\$4,716.00	\$2,308.00	\$6,641.00	\$459,682.00
CONWAY	\$7,150.50	\$3,000.50	\$10,410.00	\$485,263.00	\$5,788.00	\$3,732.00	\$8,309.00	\$6,134.00	\$14,051.00	\$543,838.00
CRAWFORD	\$15,125.50	\$9,819.00	\$31,866.00	\$1,946,898.00	\$11,622.00	\$11,434.00	\$28,483.00	\$11,730.00	\$29,988.00	\$2,115,965.50
CRAWFORD	\$5,526.00	\$1,243.00	\$9,820.00	\$425,005.00	\$6,312.00	\$6,822.00	\$17,942.00	\$7,422.00	\$29,575.00	\$509,667.00
CRITTENDEN	\$39,773.00	\$21,631.00	\$12,562.00	\$779,927.00	\$4,066.00	\$8,896.00	\$22,574.00	\$7,067.00	\$41,417.00	\$337,933.00
CROSS	\$6,910.50	\$7,042.50	\$9,151.00	\$386,863.00	\$1,788.00	\$1,636.00	\$4,299.00	\$1,565.00	\$7,014.00	\$426,249.00
DALLAS	\$3,472.50	\$1,402.00	\$3,599.00	\$200,768.00	\$1,024.00	\$956.00	\$2,330.00	\$914.00	\$4,143.00	\$218,668.50
DESHA	\$2,885.50	\$2,167.00	\$4,141.00	\$246,619.00	\$2,138.00	\$1,014.00	\$4,324.00	\$1,752.00	\$6,831.00	\$271,871.50
DREW	\$4,071.00	\$3,037.50	\$12,780.00	\$417,005.00	\$2,994.00	\$3,018.00	\$6,331.00	\$3,012.00	\$9,730.00	\$461,978.50
FAULKNER	\$11,825.50	\$6,065.00	\$42,150.00	\$1,514,832.00	\$20,080.00	\$19,094.00	\$35,202.00	\$21,212.00	\$56,570.00	\$1,729,030.50
FRANKLIN	\$587.00	\$85.50	\$11,542.00	\$187,167.00	\$2,804.00	\$1,270.00	\$5,094.00	\$2,673.00	\$9,083.00	\$220,305.50
FULTON	\$123.00	\$507.00	\$4,323.00	\$66,933.00	\$400.00	\$706.00	\$1,517.00	\$516.00	\$4,136.00	\$79,161.00
GARLAND	\$16,768.00	\$11,333.50	\$27,199.00	\$1,264,852.00	\$23,142.00	\$19,628.00	\$45,587.00	\$33,957.00	\$75,201.00	\$1,517,667.50
GRANT	\$1,316.00	\$1,267.00	\$6,554.00	\$209,421.00	\$2,508.00	\$2,982.00	\$4,716.00	\$2,737.00	\$7,694.00	\$239,195.00
GREENE	\$703.50	\$1,033.50	\$20,509.00	\$661,110.00	\$4,528.00	\$3,700.00	\$11,811.00	\$4,740.00	\$22,171.00	\$730,306.00
HEMPSTEAD	\$65,061.50	\$23,382.50	\$5,896.00	\$368,159.00	\$1,894.00	\$2,802.00	\$5,112.00	\$2,158.00	\$10,166.00	\$484,631.00
HOT SPRING	\$1,410.00	\$707.50	\$13,457.00	\$416,724.00	\$4,522.00	\$4,272.00	\$8,745.00	\$4,568.00	\$13,721.00	\$468,154.50
HOWARD	\$55,166.00	\$15,825.00	\$5,884.00	\$236,744.00	\$1,348.00	\$2,464.00	\$3,610.00	\$1,930.00	\$6,051.00	\$329,022.00
INDEPENDENCE	\$4,135.50	\$2,319.00	\$39,531.00	\$666,083.00	\$4,884.00	\$3,734.00	\$10,150.00	\$4,645.00	\$16,545.00	\$752,026.50
JACKSON	\$175.00	\$5.00	\$6,169.00	\$105,302.00	\$926.00	\$704.00	\$2,864.00	\$1,678.00	\$4,479.00	\$122,302.00
JEFFERSON	\$21,418.50	\$12,501.50	\$15,531.00	\$326,886.00	\$2,482.00	\$1,648.00	\$4,028.00	\$2,918.00	\$8,246.00	\$395,659.00
JOHNSON	\$53,871.50	\$41,252.50	\$29,114.00	\$1,416,534.00	\$16,628.00	\$18,270.00	\$28,736.00	\$17,358.00	\$52,665.00	\$1,674,429.00
LAFAYETTE	\$883.00	\$1,360.50	\$3,696.00	\$272,741.00	\$3,068.00	\$2,246.00	\$7,308.00	\$3,042.00	\$12,254.00	\$306,598.50
LAWRENCE	\$12,349.50	\$5,805.50	\$1,700.00	\$82,457.00	\$318.00	\$758.00	\$2,538.00	\$444.00	\$3,437.00	\$109,807.00
LEE	\$809.50	\$175.00	\$12,207.00	\$305,950.00	\$1,334.00	\$2,048.00	\$4,065.00	\$1,496.00	\$7,930.00	\$336,014.00
LINCOLN	\$3,034.50	\$12,312.50	\$4,098.00	\$80,581.00	\$432.00	\$992.00	\$2,074.00	\$502.00	\$3,085.00	\$107,111.00
LITTLE RIVER	\$645.50	\$425.50	\$1,944.00	\$115,960.00	\$1,186.00	\$1,794.00	\$2,206.00	\$1,257.00	\$3,668.00	\$129,096.00
LOGAN	\$6,679.00	\$3,425.50	\$3,583.00	\$134,738.00	\$882.00	\$956.00	\$3,732.00	\$1,081.00	\$5,598.00	\$160,674.50
LONOKE	\$899.50	\$26.00	\$9,882.00	\$226,118.00	\$284.00	\$1,678.00	\$5,735.00	\$2,743.00	\$9,777.00	\$259,702.50
MADISON	\$12,547.00	\$11,211.00	\$38,070.00	\$1,346,343.00	\$13,588.00	\$11,678.00	\$27,444.00	\$15,039.00	\$44,060.00	\$1,519,980.00
MADISON	\$46.50	\$174.50	\$1,872.00	\$115,246.00	\$1,992.00	\$1,188.00	\$3,680.00	\$1,302.00	\$6,114.00	\$131,615.00
MARION	\$7,304.00	\$3,451.00	\$12,355.00	\$275,407.00	\$2,494.00	\$2,518.00	\$6,245.00	\$4,133.00	\$10,204.00	\$324,111.00
MILLER	\$35,685.00	\$17,206.00	\$9,398.00	\$80,635.00	\$4,002.00	\$6,664.00	\$12,017.00	\$5,466.00	\$18,884.00	\$689,957.00
MISSISSIPPI	\$62,901.00	\$38,234.50	\$24,428.00	\$849,882.00	\$2,866.00	\$2,472.00	\$10,578.00	\$3,127.00	\$18,220.00	\$1,012,708.50

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
May 1 through May 31, 2023

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LOTTO	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
MONROE	\$22,106.00	\$10,017.50	\$11,524.00	\$199,015.00	\$2,102.00	\$1,562.00	\$4,363.00	\$1,808.00	\$7,145.00	\$259,662.50
MONTGOMERY	\$31.00	\$32.00	\$1,552.00	\$35,003.00	\$804.00	\$244.00	\$1,752.00	\$591.00	\$2,400.00	\$42,409.00
NEVADA	\$4,780.00	\$1,843.50	\$1,676.00	\$183,402.00	\$1,022.00	\$1,284.00	\$2,406.00	\$678.00	\$3,278.00	\$200,369.50
NEWTON	\$16.00	\$75.00	\$1,535.00	\$39,460.00	\$392.00	\$314.00	\$945.00	\$668.00	\$1,771.00	\$45,176.00
OUACHITA	\$18,031.00	\$10,696.50	\$14,995.00	\$656,495.00	\$4,582.00	\$4,940.00	\$7,312.00	\$3,403.00	\$13,289.00	\$733,743.50
PERRY	\$908.50	\$797.50	\$3,042.00	\$19,824.00	\$1,734.00	\$1,062.00	\$3,261.00	\$1,827.00	\$4,494.00	\$136,950.00
PHILLIPS	\$16,985.50	\$6,161.50	\$4,595.00	\$201,834.00	\$1,316.00	\$2,128.00	\$5,367.00	\$2,544.00	\$8,659.00	\$249,590.00
PIKE	\$227.00	\$141.00	\$4,203.00	\$148,189.00	\$2,084.00	\$1,598.00	\$3,571.00	\$2,381.00	\$4,864.00	\$167,258.00
POINSETT	\$4,002.50	\$906.00	\$19,859.00	\$565,263.00	\$2,256.00	\$2,024.00	\$5,848.00	\$2,197.00	\$10,817.00	\$613,172.50
POLK	\$2,055.50	\$45.50	\$8,571.00	\$173,724.00	\$2,732.00	\$2,226.00	\$6,134.00	\$3,382.00	\$10,406.00	\$209,276.00
PRAIRIE	\$3,649.50	\$1,027.50	\$19,130.00	\$885,522.00	\$10,166.00	\$10,278.00	\$21,683.00	\$10,796.00	\$35,067.00	\$997,319.00
PULASKI	\$207,343.00	\$168,526.50	\$206,046.00	\$7,897,830.00	\$167,118.00	\$610.00	\$2,461.00	\$848.00	\$3,813.00	\$218,545.00
RANDOLPH	\$386.50	\$49.50	\$5,431.00	\$222,915.00	\$2,198.00	\$2,608.00	\$5,852.00	\$2,061.00	\$9,257.00	\$250,758.00
SAINT FRANCIS	\$31,817.50	\$10,831.00	\$8,016.00	\$390,819.00	\$1,764.00	\$2,992.00	\$7,324.00	\$2,900.00	\$14,080.00	\$470,543.50
SALINE	\$29,311.00	\$8,379.00	\$50,349.00	\$1,476,126.00	\$19,634.00	\$18,278.00	\$34,994.00	\$25,196.00	\$57,451.00	\$179,718.00
SCOTT	\$278.00	\$206.50	\$3,209.00	\$103,167.00	\$1,158.00	\$940.00	\$3,613.00	\$1,250.00	\$5,539.00	\$119,360.50
SEARCY	\$26.00	\$84.00	\$6,845.00	\$105,517.00	\$1,080.00	\$738.00	\$2,349.00	\$1,022.00	\$3,877.00	\$121,538.00
SEBASTIAN	\$12,497.50	\$4,550.00	\$25,422.00	\$989,680.00	\$16,298.00	\$18,200.00	\$41,816.00	\$19,048.00	\$79,302.00	\$1,206,813.50
SEVIER	\$5,262.50	\$437.00	\$604.00	\$234,909.00	\$1,598.00	\$862.00	\$4,320.00	\$1,572.00	\$6,827.00	\$256,491.50
SHARP	\$1,581.00	\$264.50	\$18,206.00	\$358,102.00	\$3,046.00	\$3,996.00	\$8,575.00	\$4,047.00	\$13,923.00	\$411,740.50
STONE	\$769.50	\$113.00	\$10,159.00	\$96,107.00	\$1,840.00	\$918.00	\$3,356.00	\$2,385.00	\$4,640.00	\$120,287.50
UNION	\$85,176.50	\$42,674.00	\$43,033.00	\$968,129.00	\$4,516.00	\$7,376.00	\$12,697.00	\$7,103.00	\$24,512.00	\$1,195,216.50
VAN BUREN	\$1,138.50	\$1,075.50	\$8,111.00	\$266,636.00	\$3,770.00	\$2,428.00	\$6,610.00	\$4,733.00	\$10,767.00	\$305,269.00
WASHINGTON	\$22,717.50	\$10,701.50	\$28,473.00	\$1,754,300.00	\$27,194.00	\$27,308.00	\$67,571.00	\$27,201.00	\$111,419.00	\$2,076,885.00
WHITE	\$14,080.50	\$7,092.00	\$51,466.00	\$1,133,652.00	\$11,254.00	\$9,836.00	\$21,510.00	\$10,114.00	\$34,210.00	\$1,293,214.50
WOODRUFF	\$1,783.00	\$935.00	\$2,739.00	\$135,187.00	\$750.00	\$806.00	\$2,116.00	\$939.00	\$3,699.00	\$148,954.00
YELL	\$269.00	\$497.00	\$2,799.00	\$251,949.00	\$2,726.00	\$1,636.00	\$4,950.00	\$2,760.00	\$8,337.00	\$275,923.00

GRAND TOTALS	*Cash 3	*Cash 4	*Fast Play	*Instant Settlements	*Lotto	*Lucky for Life	*Mega Millions	*Natural State Jackpot	*Powerball	*Total Sales
	\$1,039,547.50	\$610,083.50	\$1,150,640.00	\$41,841,677.00	\$511,910.00	\$612,030.00	\$1,133,346.00	\$586,660.00	\$1,877,525.00	\$49,363,419.00



Section 5
Total Number of Retailers

Arkansas Scholarship Lottery Retailer, Terminal Counts, and Vendor Service Highlights *inralot*

May 2023

Retailer Count by Status	
Active	1,938
Renewal	78
Total	2,016

Monthly Highlights

- ▶ 4,247,402 Total transactions processed through the Arkansas Scholarship Lottery System in May
- ▶ 834 service tickets resolved by Field Service and the Call Center for the month of May
- ▶ 645 Preventative Maintenance Actions completed by Field Service Technicians for the month of May

Terminal Count by Type	
Photon	2,077
TVM	125
DreamTouch Smart	84
Total	2,286



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Sections 6-9
Finance

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Net Position
May 31, 2023

ASSETS

Current assets:	
Cash and cash equivalents	\$ 4,722,982.70
Restricted assets:	
Cash and cash equivalents	238,034,901.40
Accounts receivable	17,919,900.40
Prepaid items	189,713.51
Total current assets	<u>260,867,498.01</u>
Non-current assets:	
Restricted assets:	
Cash and cash equivalents	20,601,286.50
Deposits with Multi-State Lottery Association	2,080,890.27
Capital assets (Net of accumulated depreciation)	577,416.40
Right to use assets-net	883,453.26
Total non-current assets	<u>24,143,046.43</u>
Total assets	<u>285,010,544.44</u>
Deferred outflows of resources:	
Related to pension	745,414.27
Related to OPEB	504,192.38
Total deferred outflows of resources	<u>1,249,606.65</u>
Total assets and deferred outflows of resources	<u>\$ 286,260,151.09</u>

LIABILITIES

Current liabilities:	
Accounts payable	\$ 11,965.00
Prizes payable	26,831,348.60
Accrued and other liabilities	4,904,324.26
Due to other funds of the State	1,339,806.40
Due to Lottery Scholarship Trust Account	228,172,374.56
Lease Liability	259,870.17
Compensated absences	444,106.99
OPEB Obligation	98,210.89
Unearned revenue	213,442.41
Total current liabilities	<u>262,275,449.28</u>
Long-Term liabilities:	
Net other post employment benefits	2,379,344.96
Net pension liability	1,476,746.00
Lease Liability	645,710.25
Total long-term liabilities	<u>4,501,801.21</u>
Total liabilities	<u>266,777,250.49</u>
Deferred inflows of resources:	
Related to pension	2,794,615.00
Related to OPEB	1,373,783.53
Total deferred inflows of resources	<u>4,168,398.53</u>
Total liabilities and deferred inflows of resources	<u>270,945,649.02</u>

NET POSITION

Net position:	
Invested in capital assets	577,416.40
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer bond reserve	607,136.50
Deposits with Multi-State Lottery Association	2,080,890.27
Unclaimed prizes reserve	9,862,526.84
Unrestricted (deficit)	<u>(17,813,467.94)</u>
Total net position	<u>15,314,502.07</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 286,260,151.09</u>

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues, Expenses and Change in Net Position
For the Eleven Months Ended May 31, 2023

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 42,691,549.00	\$ 437,386,777.00
Online ticket sales	7,570,834.00	123,178,818.00
Retailer application, fidelity, bond and service fees	50,840.33	611,221.30
Other revenue	<u>6,013.65</u>	<u>6,144.96</u>
 Total operating revenues	 <u>50,319,236.98</u>	 <u>561,182,961.26</u>
 Operating expenses:		
Instant game prizes	31,778,116.80	317,955,662.45
Online game prizes	4,070,843.13	66,499,570.58
Retailer commissions	2,869,248.45	31,634,266.24
Gaming contract costs	2,576,262.62	27,500,836.63
Compensation and benefits	484,165.04	5,227,429.37
Marketing, advertising and promotions	575,297.03	6,639,698.30
General and administrative expenses	120,604.97	2,530,280.22
Services provided by Arkansas Department of Education - Division of Higher Education	125,200.00	1,296,300.00
Services provided by Arkansas Legislative Audit	13,200.00	145,200.00
Amortization - GASB 87 Leases	22,652.64	249,179.11
Depreciation	<u>35,465.21</u>	<u>392,574.49</u>
 Total operating expenses	 <u>42,671,055.89</u>	 <u>460,070,997.39</u>
 Operating income (1)	 7,648,181.09	 101,111,963.87
 Non-operating revenue:		
Interest income	237,312.99	2,260,721.06
Interest Expense	<u>(1,219.19)</u>	<u>(15,017.34)</u>
 Income before transfers	 7,884,274.89	 103,357,667.59
 Transfers to:		
Lottery Scholarship Trust Account	<u>(9,166,470.28)</u>	<u>(97,878,656.03)</u>
 Change in net position	 <u>\$ (1,282,195.39)</u>	 5,479,011.56
 Total net position - beginning		<u>9,835,490.51</u>
Total net position - ending		<u>\$ 15,314,502.07</u>

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

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues and Expenses Budget Comparisons
For the Eleven Months Ended May 31, 2023

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating revenues:										
Instant games	\$ 42,691,549.00	84.84	\$ 37,050,000.00	81.59	\$ 5,641,549.00	\$ 437,386,777.00	77.94	\$ 406,650,000.00	82.30	\$ 30,736,777.00
Online games	7,570,834.00	15.05	8,304,000.00	18.29	(733,166.00)	123,178,818.00	21.95	86,917,000.00	17.59	36,261,818.00
Retailer fees	50,840.33	0.10	55,000.00	0.12	(4,159.67)	611,221.30	0.11	557,000.00	0.11	54,221.30
Other revenue	6,013.65	0.01	200.00	0.00	5,813.65	6,144.96	0.00	1,900.00	0.00	4,244.96
		0.00%								
Total operating revenues	50,319,236.98	100.00	45,409,200.00	100.00	4,910,036.98	561,182,961.26	100.00	494,125,900.00	100.00	67,057,061.26
Operating expenses:										
Instant game prizes	31,778,116.80	63.15	26,853,583.00	59.14	4,924,533.80	317,955,662.45	56.66	294,723,413.00	59.65	23,232,249.45
Online game prizes	4,070,843.13	8.09	4,508,417.00	9.93	(437,573.87)	66,499,570.58	11.85	47,475,587.00	9.61	19,023,983.58
Retailer commissions	2,869,248.45	5.70	2,554,000.00	5.62	315,248.45	31,634,266.24	5.64	27,910,000.00	5.65	3,724,266.24
Gaming contract costs	2,576,262.62	5.12	2,259,000.00	4.97	317,262.62	27,500,836.63	4.90	24,690,000.00	5.00	2,810,836.63
Compensation & benefits	484,165.04	0.96	488,000.00	1.07	(3,834.96)	5,227,429.37	0.93	5,309,000.00	1.07	(81,570.63)
Marketing, advertising & promotions	575,297.03	1.14	615,000.00	1.35	(39,702.97)	6,639,698.30	1.18	6,788,000.00	1.37	(148,301.70)
General and administrative expenses	120,604.97	0.24	269,000.00	0.59	(148,395.03)	2,530,280.22	0.45	2,962,000.00	0.60	(431,719.78)
Services provided by other agencies	138,400.00	0.28	92,000.00	0.20	46,400.00	1,441,500.00	0.26	1,009,000.00	0.20	432,500.00
Amortization - GASB 87 Leases	22,652.64	0.05	-	-	22,652.64	249,179.11	0.04	-	0.00	249,179.11
Depreciation	35,465.21	0.07	35,000.00	0.08	465.21	392,574.49	0.07	385,000.00	0.08	7,574.49
Total operating expenses	42,671,055.89	84.80	37,674,000.00	82.97	4,997,055.89	460,070,997.39	81.98	411,252,000.00	83.23	48,818,997.39
Operating income	7,648,181.09	15.20	7,735,200.00	17.03	(87,018.91)	101,111,963.87	18.02	82,873,900.00	16.77	18,238,063.87
Non-operating revenue:										
Interest income	237,312.99	0.47	127,000.00	0.28	110,312.99	2,260,721.06	0.40	1,363,000.00	0.28	897,721.06
Interest expense	(1,219.19)	(0.00)	-	-	(1,219.19)	(15,017.34)	(0.00)	-	-	(15,017.34)
Income before transfers	\$ 7,884,274.89	15.67	\$ 7,862,200.00	17.31	\$ 22,074.89	\$ 103,357,667.59	18.42	\$ 84,236,900.00	17.05	\$ 19,120,767.59

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Net Proceeds Computation to Transfer to Lottery Scholarship Trust
Modified Cash Basis
For the Eleven Months Ended May 31, 2023

	Year to date
Operating revenues:	
Instant ticket (Settlements)	\$ 437,255,960.00
Online ticket sales	123,178,818.00
Retailer application, fidelity and service fees	611,221.30
Other revenue	<u>6,144.96</u>
Total operating revenues	<u>561,052,144.26</u>
Operating expenses:	
Instant game prizes (Settlements)	314,916,473.00
Online game prizes	66,499,570.58
Retailer commissions	31,634,266.24
Gaming contract costs	27,500,836.63
Compensation and benefits	5,227,429.37
Marketing, advertising and promotions	6,639,698.30
General and administrative expenses	2,530,280.22
Services provided by Arkansas Department of Education - Division of Higher Education	1,296,300.00
Services provided by Legislative Audit Agency	145,200.00
Amortization - GASB 87 Leases	249,179.11
Current year capital asset cost	<u>6,052.98</u>
Total operating expenses	<u>456,645,286.43</u>
Change in net proceeds from operations	104,406,857.83
Non-operating revenue:	
Interest income	2,260,721.06
Other non-operating income	(15,017.34)
EDUCATION TRUST FUNDING-Current Year	(88,712,185.75)
Less Act 1180 Unclaimed Prizes	(8,862,526.84)
Less current year Bond Reserve Fees	(107,136.50) restricted reserves
Add Bond Funds in excess of \$500,000	0.00 see 23-115-603(a)(5)
Add back Write Off Retailer Bad Debt	0.00
Less current year MUSL Reserves	(46,242.18) see 23-115-103(17) and (19)(A)&(B)
Add OPEB expense in Comp and Benefits	<u>242,000.00</u>
NET PROCEEDS EARNED-Current Month	<u>\$ 9,166,470.28</u>
-Year to Date	<u>\$ 97,878,656.03</u>

	Transfer	Interest	Total
Lottery Scholarship Trust Account	\$ 222,472,905.98	\$ 5,699,468.58	\$ 228,172,374.56
April 2022 funding - 5/15/22	\$ 8,012,114.84	\$ 47,454.08	\$ 8,059,568.92
May 2022 funding - 6/15/22	\$ 7,872,154.05	\$ 114,192.35	\$ 7,986,346.40
Transfer to ADHE for FY 2022 Concurrent Scholarship Funding 6/9/22	\$ (500,000.00)		\$ (500,000.00)
Transfer to ADHE for FY 2022 Workforce Scholarship Funding 6/9/22	\$ (250,000.00)		\$ (250,000.00)
June 2022 funding - 7/15/22	\$ 13,886,610.16	\$ 126,730.86	\$ 14,013,341.02
July 2022 funding - 8/15/22	\$ 12,323,427.00	\$ 142,552.31	\$ 12,465,979.31
August 9, 2022 ADHE Refund of FY 22 unused Scholarship Money	\$ 15,927,228.23		\$ 15,927,228.23
August 2022 funding - 9/15/22	\$ 5,852,986.68	\$ 177,987.60	\$ 6,030,974.28
Transfer to ADHE for FY 2023 Fall Funding 9/23/22	\$ (30,000,000.00)		\$ (30,000,000.00)
September 2022 funding - 10/15/22	\$ 7,719,458.52	\$ 203,931.27	\$ 7,923,389.79
October 2022 funding - 11/15/22	\$ 9,704,387.92	\$ 158,821.32	\$ 9,863,209.24
November 2022 funding 12/15/22	\$ 10,496,530.57	\$ 161,458.63	\$ 10,657,989.20
Transfer to ADHE for FY 2023 Concurrent Scholarship Funding 12/7/22	\$ (2,000,000.00)		\$ (2,000,000.00)
December 2022 funding 1/15/23	\$ 6,266,787.59	\$ 168,995.81	\$ 6,435,783.40
January 2023 funding - 2/15/22	\$ 11,781,045.35	\$ 185,947.51	\$ 11,966,992.86
Transfer to ADHE for FY 2023 Spring Funding 2/22/22	\$ (30,000,000.00)		\$ (30,000,000.00)
February 2023 funding 3/15/23	\$ 6,931,065.01	\$ 166,498.75	\$ 7,097,563.76
March 2023 funding 4/15/23	\$ 8,124,755.27	\$ 171,089.26	\$ 8,295,844.53
Transfer to ADHE for FY 2023 Concurrent Scholarship Funding 4/18/22	\$ (400,000.00)		\$ (400,000.00)
April 2023 funding 5/15/23	\$ 7,814,389.31	\$ 160,070.07	\$ 7,974,459.38
May 2023 funding 6/15/23	\$ 8,969,373.45	\$ 197,096.83	\$ 9,166,470.28

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Lottery Scholarship Trust Account**

	Fiscal Year June 30, 2022	Fiscal Year June 30, 2023 (YTD May 2023)
Beginning Balance	\$ 152,129,833	\$ 192,693,718
Net Proceeds	99,386,657	97,878,656 (1)
Transfers to ADHE:	FY22	FY23
Fall Academic Challenge Scholarships	9/7/21	9/23/22
Concurrent and Workforce Scholarships	10/8/21	12/7/22
Spring Academic Challenge Scholarships	3/4/22	2/22/23
Concurrent Scholarships	6/9/22	4/18/23
Workforce Scholarships	6/9/22	
	(74,750,000)	(62,400,000)
Refund of Unused Scholarship Proceeds Requested:	FY22	FY23
	8/9/22	
	15,927,228	-
Ending Balance	\$ 192,693,718	\$ 228,172,374

Note 1 - Does not include Unclaimed Prizes.

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Unclaimed Prizes
May 31, 2023

	Monthly	Year to Date
Reserve Balance July 1, 2022		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 461,052.00	8,862,526.84
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotion or reserves:	461,052.00	8,862,526.84
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
Reserve Balance May 31, 2023		\$9,862,526.84



Section 10
Arkansas Department of Higher
Education

Arkansas Department of Finance and Administration

Office Arkansas Lottery

May 1 through May 31, 2023



Office of Arkansas Lottery had no request from ADHE during the reporting period of May 1st through May 31st.



Section 11
Instant Ticket Games Releases

DFA/Office of the Arkansas Lottery
Instant & Fast Play Games
May 2023

Sales for the following instant games began May 2, 2023. No ending dates have been determined for these games.

\$1 Winner Winner Chicken Dinner

\$2 Double Cash

\$5 Multiplier Crossword

\$10 \$200,000 Jackpot

Sales for the following instant games began May 30, 2023. No ending dates have been determined for these games.

\$1 Heads or Tails

\$2 Gold

\$5 Lots of \$500s

\$10 Jumbo Bucks Extra

Sales for the following Fast Play games began May 1, 2023. No ending dates have been determined for these games.

\$1 Find the 9's

\$3 Stars & Stripes



Section 12
Minority & Female owned Business
Report

Minority Report - MAY 2023			
Arkansas Scholarship Lottery			
VENDORS		May	FY to Date Total
A-ABSOLUTE MOVING & HAULING	CMBE		\$498.40
ADVANTAGE COMMUNICATIONS	MBE		
AFRICAN AMERICAN PERSPECTIVES	MBE		
AJP FARM, LLC	MBE		
ARKANSAS FLAG AND BANNER	WBE		\$9,575.00
BEST BANNER AND SIGNS			
BSW ADVERTISING	FOB		
BUDS GRAPHICS SALES & SERVICE	MBE		
BURRIS INC	CWOB	\$32,349.61	\$32,349.61
BYRD ENTERPRISE,INC	NAI		
CCI Of ARKANSAS	CMBE		
CHOICE PROMOTION	MBE		\$66,590.92
CREATIVE GRAPICS, INC	MBE		
CRENSHAW SIGNS	MBE		
DE'LISA BALENTINE	WBE		
DR. B'S WINDSHIELD REPAIR COMPANY	MBE		
GATHRIGHT VAN AND STORAGE			
GODDESS PRODUCTS	CMBE		
GOVERNMENT SUPPLY SERVICES	CMBE	\$99.84	\$2,277.77
HOG WASH DETAIL DENT & TINT	MBE		
HOLA! ARKANSAS	MBE		
INCLUSION MAGAZINE	MBE		
LA DESIGNS	WBE		
LAHARPE'S OFFICE FURNITURE	WBE		\$1,298.07
LAF PRODUCTION, INC	MBE		
MICKEY'S SPECIAL AFFAIRS	MBE		
MR. B'S 2 MOBILE HAND WASH & WAX	MBE		
NORTHEAST ARKANSAS CLEANING SERVICE	WBE		
PARTY PRINTS	CMBE		
PREMIER STAFFING	WBE		
RIDE N SHINE DETAIL	MOB		
RU-MEL & ASSOCIATES, INC	MBE		
S & P SERVICES	MBE		
STAND NEWS	MBE		
THE AMERICAN BANNER PUBLISHING, LLC	MBE		
TRIVIA MARKETING	WBE		
Total		\$32,449.45	\$112,589.77
MBE = Minority Business Enterprise			
CMBE = Certified Minority Business Enterprise			



Section 13
Internal Auditor Reports

**Arkansas Department of Finance and Administration
Office Arkansas Lottery**

Audit Report for May 1 through May 31, 2023.



Office of the Arkansas Lottery had no audits during the reporting period of May 1st through May 31st.