



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, 2024

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

RE: Monthly Disclosure Report

Dear Governor Sanders:

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 May 2024. The report contains the following:

1. Net Position
2. Revenues and Expenses
3. Lottery Scholarship Trust Account
4. Unclaimed Prizes Report
5. Retailer Losses
6. Debt Set-off / Taxes Withheld
7. Lottery Sales – County
8. Total Number of Retailers
9. Arkansas Department of Higher Education (ADHE)
10. Instant Ticket Games - Releases
11. Contracts
12. Internal Auditor Reports

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

Respectfully submitted,

A handwritten signature in black ink that reads "Michael C. Smith".

Mike Smith
Gaming Director

cc: Jim Hudson, Secretary of the Department of Finance and Administration



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June 10, 2024

The Honorable Ronald Caldwell, Co-Chair
The Honorable Mindy McAlindon, Co-Chair
Lottery Oversight Subcommittee
One Capitol Mall, Room R-501
Little Rock, AR 72201

RE: Monthly Disclosure Report

Dear Senator Caldwell and Representative McAlindon:

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 May 2024. The report contains the following:

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Respectfully submitted,

Mike Smith
Gaming Director

cc: Jim Hudson, Secretary of the Department of Finance and Administration



SECTION 1

NET POSITION

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Net Position
May 31, 2024**

ASSETS

Current assets:	
Cash and cash equivalents	\$ 10,836,178.51
Restricted assets:	
Cash and cash equivalents	303,653,445.47
Accounts receivable	14,097,517.16
Prepaid items	128,683.80
Total current assets	<u>328,715,824.94</u>
Non-current assets:	
Restricted assets:	
Cash and cash equivalents	20,624,198.20
Deposits with Multi-State Lottery Association	1,990,704.09
Capital assets, net	812,090.68
Total non-current assets	<u>23,426,992.97</u>
Total assets	<u>352,142,817.91</u>
Deferred outflows of resources:	
Related to pension	1,870,807.78
Related to OPEB	649,285.42
Total deferred outflows of resources	<u>2,520,093.20</u>
Total assets and deferred outflows of resources	<u>\$ 354,662,911.11</u>

LIABILITIES

Current liabilities:	
Accounts payable	\$ 1,831.50
Prizes payable	30,125,668.95
Accrued and other liabilities	6,264,243.80
Due to other funds of the State	1,139,378.28
Due to Lottery Scholarship Trust Account	292,711,232.93
Lease Liability	270,765.08
Compensated absences	404,372.99
OPEB Obligation	99,509.08
Unearned revenue	355,334.98
Total current liabilities	<u>331,372,337.59</u>
Long-Term liabilities:	
Net other post employment benefits	2,606,941.25
Net pension liability	4,990,011.00
Lease Liability	365,062.65
Total long-term liabilities	<u>7,962,014.90</u>
Total liabilities	<u>339,334,352.49</u>
Deferred inflows of resources:	
Related to pension	215,173.00
Related to OPEB	1,227,745.22
Total deferred inflows of resources	<u>1,442,918.22</u>
Total liabilities and deferred inflows of resources	<u>340,777,270.71</u>

NET POSITION

Net position:	
Net investment in capital assets	447,028.03
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer bond reserve	619,798.20
Deposits with Multi-State Lottery Association	1,990,704.09
Unclaimed prizes reserve	10,942,212.54
Unrestricted (deficit)	<u>(20,114,102.46)</u>
Total net position	<u>13,885,640.40</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 354,662,911.11</u>



SECTION 2

REVENUES AND EXPENSES

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, 2024

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 39,183,357.00	\$ 442,161,263.00
Online ticket sales	9,348,662.50	125,530,619.00
Retailer application, fidelity, bond and service fees	51,853.64	617,093.40
Other revenue	0.00	(1,489.28)
	<u>48,583,873.14</u>	<u>568,307,486.12</u>
Operating expenses:		
Instant game prizes	28,164,053.49	322,259,370.46
Online game prizes	5,161,266.42	66,654,462.11
Retailer commissions	2,728,493.69	32,001,090.21
Gaming contract costs	2,416,374.12	27,750,111.16
Compensation and benefits	477,207.74	5,340,187.53
Marketing, advertising and promotions	531,299.43	5,759,008.61
General and administrative expenses	80,479.66	1,006,510.55
Services provided by Arkansas Department of Education - Division of Higher Education	100,000.00	1,100,000.00
Services provided by Arkansas Legislative Audit	13,400.00	147,400.00
Amortization - GASB 87 Leases	22,652.65	249,179.12
Depreciation	31,554.42	372,195.67
	<u>39,726,781.62</u>	<u>462,639,515.42</u>
Total operating expenses	<u>39,726,781.62</u>	<u>462,639,515.42</u>
Operating income (1)	8,857,091.52	105,667,970.70
Non-operating revenue:		
Interest income	1,184,929.18	10,238,616.92
Other income/expense	(856.17)	(10,682.42)
	<u>10,041,164.53</u>	<u>115,895,905.20</u>
Income before transfers	10,041,164.53	115,895,905.20
Transfers to:		
Lottery Scholarship Trust Account (2)	<u>(9,577,378.83)</u>	<u>(109,300,267.67)</u>
Change in net position	<u>\$ 463,785.70</u>	6,595,637.53
Total net position - beginning		7,290,002.87
Total net position - ending		<u>\$ 13,885,640.40</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.

UNAUDITED PRELIMINARY DRAFT

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, 2024

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating revenues:										
Instant games	\$ 39,183,357.00	80.65	\$ 39,000,000.00	82.24	\$ 183,357.00	\$ 442,161,263.00	77.80	\$ 434,000,000.00	82.85	\$ 8,161,263.00
Online games	9,348,662.50	19.24	8,371,000.00	17.65	977,662.50	125,530,619.00	22.09	89,270,000.00	17.04	36,260,619.00
Retailer fees	51,853.64	0.11	51,000.00	0.11	853.64	617,093.40	0.11	595,000.00	0.11	22,093.40
Other revenue	-	-	200.00	0.00	(200.00)	(1,489.28)	(0.00)	1,900.00	0.00	(3,389.28)
				0.00%						
Total operating revenues	<u>48,583,873.14</u>	100.00	<u>47,422,200.00</u>	100.00	<u>1,161,673.14</u>	<u>568,307,486.12</u>	100.00	<u>523,866,900.00</u>	100.00	<u>44,440,586.12</u>
Operating expenses:										
Instant game prizes	28,164,053.49	57.97	28,233,583.00	59.54	(69,529.51)	322,259,370.46	56.71	314,260,413.00	59.99	7,998,957.46
Online game prizes	5,161,266.42	10.62	4,620,417.00	9.74	540,849.42	66,654,462.11	11.73	49,127,587.00	9.38	17,526,875.11
Retailer commissions	2,728,493.69	5.62	2,679,000.00	5.65	49,493.69	32,001,090.21	5.63	29,598,000.00	5.65	2,403,090.21
Gaming contract costs	2,416,374.12	4.97	2,371,000.00	5.00	45,374.12	27,750,111.16	4.88	26,192,000.00	5.00	1,558,111.16
Compensation & benefits	477,207.74	0.98	530,000.00	1.12	(52,792.26)	5,340,187.53	0.94	5,538,000.00	1.06	(197,812.47)
Marketing, advertising & promotions	531,299.43	1.09	542,000.00	1.14	(10,700.57)	5,759,008.61	1.01	5,958,000.00	1.14	(198,991.39)
General and administrative expenses	80,479.66	0.17	121,000.00	0.26	(40,520.34)	1,006,510.55	0.18	1,325,000.00	0.25	(318,489.45)
Services provided by other agencies	113,400.00	0.23	105,000.00	0.22	8,400.00	1,247,400.00	0.22	1,164,000.00	0.22	83,400.00
Amortization - GASB 87 Leases	22,652.65	0.05	22,652.64	0.05	0.01	249,179.12	0.04	226,526.47	0.04	22,652.65
Depreciation	31,554.42	0.06	35,347.36	0.07	(3,792.94)	372,195.67	0.07	415,473.53	0.08	(43,277.86)
Total operating expenses	<u>39,726,781.62</u>	81.77	<u>39,260,000.00</u>	82.79	<u>466,781.62</u>	<u>462,639,515.42</u>	81.41	<u>433,805,000.00</u>	82.81	<u>28,834,515.42</u>
Operating income	8,857,091.52	18.23	8,162,200.00	17.21	694,891.52	105,667,970.70	18.59	90,061,900.00	17.19	15,606,070.70
Non-operating revenue:										
Interest income	1,184,929.18	2.44	268,000.00	0.57	916,929.18	10,238,616.92	1.80	2,732,000.00	0.52	7,506,616.92
Interest expense	(856.17)	(0.00)	(1,000.00)	(0.00)	143.83	(10,682.42)	(0.00)	(15,000.00)	(0.00)	4,317.58
Income before transfers	<u>\$ 10,041,164.53</u>	20.67	<u>\$ 8,429,200.00</u>	17.77	<u>\$ 1,611,964.53</u>	<u>\$ 115,895,905.20</u>	20.39	<u>\$ 92,778,900.00</u>	17.71	<u>\$ 23,117,005.20</u>

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues and Expenses - GAAP
For the Eleven Months Ended May 31, 2024 Compared to May 31, 2023

	Current Month May 31, 2024	% Sales	Current Month May 31, 2023	% Sales	Variance	Year to Date May 31, 2024	% Sales	Year to Date May 31, 2023	% Sales	Variance
Operating revenues:										
Instant ticket sales	\$ 39,183,357.00	80.7%	\$ 42,691,549.00	84.8%	\$ (3,508,192.00)	\$ 442,161,263.00	77.8%	\$ 437,386,777.00	77.9%	\$ 4,774,486.00
Online ticket sales	9,348,662.50	19.2%	7,570,834.00	15.0%	1,777,828.50	125,530,619.00	22.1%	123,178,818.00	21.9%	2,351,801.00
Retailer fees	51,853.64	0.1%	50,840.33	0.1%	1,013.31	617,093.40	0.1%	611,221.30	0.1%	5,872.10
Other revenue	-	0.0%	6,013.65	0.0%	(6,013.65)	(1,489.28)	0.0%	6,144.96	0.0%	(7,634.24)
Total operating revenues	48,583,873.14	100.0%	50,319,236.98	100.0%	(1,735,363.84)	568,307,486.12	100.0%	561,182,961.26	100.0%	7,124,524.86
Operating expenses:										
Instant game prizes	28,164,053.49	58.0%	31,778,116.80	63.2%	(3,614,063.31)	322,259,370.46	56.7%	317,955,662.45	56.7%	4,303,708.01
Online game prizes	5,161,266.42	10.6%	4,070,843.13	8.1%	1,090,423.29	66,654,462.11	11.7%	66,499,570.58	11.8%	154,891.53
Retailer commissions	2,728,493.69	5.6%	2,869,248.45	5.7%	(140,754.76)	32,001,090.21	5.6%	31,634,266.24	5.6%	366,823.97
Gaming contract costs	2,416,374.12	5.0%	2,576,262.62	5.1%	(159,888.50)	27,750,111.16	4.9%	27,500,836.63	4.9%	249,274.53
Compensation and benefits	477,207.74	1.0%	484,165.04	1.0%	(6,957.30)	5,340,187.53	0.9%	5,227,429.37	0.9%	112,758.16
Marketing, advertising and promotions	531,299.43	1.1%	575,297.03	1.1%	(43,997.60)	5,759,008.61	1.0%	6,639,698.30	1.2%	(880,689.69)
General and administrative expenses	80,479.66	0.2%	120,604.97	0.2%	(40,125.31)	1,006,510.55	0.2%	2,530,280.22	0.5%	(1,523,769.67)
Services provided by ADE - Division of Higher Education	100,000.00	0.2%	125,200.00	0.2%	(25,200.00)	1,100,000.00	0.2%	1,296,300.00	0.2%	(196,300.00)
Services provided by Legislative Audit Agency	13,400.00	0.0%	13,200.00	0.0%	200.00	147,400.00	0.0%	145,200.00	0.0%	2,200.00
Amortization - GASB 87 Leases	22,652.65	0.0%	22,652.64	0.0%	0.01	249,179.12	0.0%	249,179.11	0.0%	0.01
Depreciation	31,554.42	0.1%	35,465.21	0.1%	(3,910.79)	372,195.67	0.1%	392,574.49	0.1%	(20,378.82)
Total operating expenses	39,726,781.62	81.8%	42,671,055.89	84.8%	(2,944,274.27)	462,639,515.42	81.4%	460,070,997.39	82.0%	2,568,518.03
Operating income	8,857,091.52	18.2%	7,648,181.09	15.2%	1,208,910.43	105,667,970.70	18.6%	101,111,963.87	18.0%	4,556,006.83
Nonoperating revenue:										
Interest income	1,184,929.18	2.4%	237,312.99	0.5%	947,616.19	10,238,616.92	1.8%	2,260,721.06	0.4%	7,977,895.86
Other Non Operating Income	(856.17)	-0.2%	(1,219.19)	-0.2%	363.02	(10,682.42)	-0.2%	(15,017.34)	-0.3%	4,334.92
Income before transfers	\$ 10,041,164.53	20.7%	\$ 7,884,274.89	15.7%	\$ 2,156,889.64	\$ 115,895,905.20	20.4%	\$ 103,357,667.59	18.4%	\$ 12,538,237.61
Net Proceeds (1)	\$ 9,577,378.83		\$ 9,166,470.28		\$ 410,908.55	\$ 109,300,267.67		\$ 97,878,656.03		\$ 11,421,611.64

**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, 2024**

	Year to date
Operating revenues:	
Instant ticket (Settlements)	\$ 443,907,380.00
Online ticket sales	125,530,619.00
Retailer application, fidelity and service fees	617,093.40
Other revenue	<u>(1,489.28)</u>
Total operating revenues	<u>570,053,603.12</u>
Operating expenses:	
Instant game prizes (Settlements)	321,212,991.00
Online game prizes	66,654,462.11
Retailer commissions	32,001,090.21
Gaming contract costs	27,750,111.16
Compensation and benefits	5,340,187.53
Marketing, advertising and promotions	5,759,008.61
General and administrative expenses	1,006,510.55
Services provided by Arkansas Department of Education - Division of Higher Education	1,100,000.00
Services provided by Legislative Audit Agency	147,400.00
Amortization - GASB 87 Leases	249,179.12
Current year capital asset cost	<u>30,505.10</u>
Total operating expenses	<u>461,251,445.39</u>
 Change in net proceeds from operations	 108,802,157.73
Non-operating revenue:	
Interest income	10,238,616.92
Other non-operating income	(10,682.42)
EDUCATION TRUST FUNDING-Current Year	(99,722,888.84)
Less Act 1180 Unclaimed Prizes	(9,942,212.54)
Less current year Bond Reserve Fees	(119,798.20) restricted reserves
Add Bond Funds in excess of \$500,000	see 23-115-603(a)(5)
Add back Write Off Retailer Bad Debt	
Less current year MUSL Reserves	90,186.18 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>\$ 9,577,378.83</u>
-Year to Date	<u>\$ 109,300,267.67</u>

	Transfer	Interest	Total
	\$ 277,988,462.13	\$ 14,722,770.80	\$ 292,711,232.93
Lottery Scholarship Trust Account			
Transfer to ADHE for FY 2024 Concurrent Scholarship Funding 7/14/23	\$ (2,500,000.00)		\$ (2,500,000.00)
Aug 8, 2023 ADHE Refund of FY 23 unused Scholarship Money	\$ 5,775,854.04		\$ 5,775,854.04
July 2023 funding 8/15/23	\$ 12,464,635.60	\$ 201,867.71	\$ 12,666,503.31
August 2023 funding 9/15/23	\$ 7,285,028.66	\$ 217,676.76	\$ 7,502,705.42
Transfer to ADHE for FY 2024 Workforce Scholarship Funding 9/28/23	\$ (750,000.00)		\$ (750,000.00)
Transfer to ADHE for FY 2024 Academic Scholarship Funding 9/28/23	\$ (30,000,000.00)		\$ (30,000,000.00)
September 2023 funding 10/15/23	\$ 9,266,597.78	\$ 864,374.07	\$ 10,130,971.85
October 2023 fundng 11/15/23	\$ 8,615,141.08	\$ 911,767.62	\$ 9,526,908.70
November 2023 funding 12/15/23	\$ 8,313,139.36	\$ 886,147.40	\$ 9,199,286.76
December 2023 funding 1/15/24	\$ 7,958,190.71	\$ 893,502.76	\$ 8,851,693.47
January 2024 funding 2/15/24	\$ 9,688,101.19	\$ 1,043,247.95	\$ 10,731,349.14
Transfer to ADHE for FY 2024 Academic Scholarship Funding 2/28/23	\$ (30,000,000.00)		\$ (30,000,000.00)
February 2024 funding 3/15/24	\$ 6,092,946.95	\$ 940,220.39	\$ 7,033,167.34
Transfer to ADHE for FY 2024 Concurrent Scholarship Funding 3/15/24	\$ (2,500,000.00)		\$ (2,500,000.00)
March 2024 funding 4/15/24	\$ 11,472,242.22	\$ 870,311.23	\$ 12,342,553.45
April 2024 funding 5/15/24	\$ 10,739,878.17	\$ 997,871.23	\$ 11,737,749.40
May 2024 funding 6/15/24	\$ 8,566,636.78	\$ 1,010,742.05	\$ 9,577,378.83

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Net Proceeds Analysis**

Month	2024 Transfers	2024 Unclaimed Prizes	Total Transfer	2024 Budget	Over/Under Budget	Cumulative Balance
July, 2023	\$ 12,666,503.31	\$ 390,174.00	\$ 13,056,677.31	\$ 8,207,600.00	\$ 4,849,077.31	\$ 4,849,077.31
August	7,502,705.42	3,052,204.53	10,554,909.95	8,218,700.00	2,336,209.95	7,185,287.26
September	10,130,971.85	106,942.00	10,237,913.85	8,082,600.00	2,155,313.85	9,340,601.11
October	9,526,908.70	1,397,222.69	10,924,131.39	8,155,600.00	2,768,531.39	12,109,132.50
November	9,199,286.76	115,051.00	9,314,337.76	8,214,700.00	1,099,637.76	13,208,770.26
December	8,851,693.47	275,498.00	9,127,191.47	8,632,700.00	494,491.47	13,703,261.73
January, 2024	10,731,349.14	1,505,810.30	12,237,159.44	8,365,700.00	3,871,459.44	17,574,721.17
February	7,033,167.34	1,168,282.16	8,201,449.50	7,962,700.00	238,749.50	17,813,470.67
March	12,342,553.45	206,735.00	12,549,288.45	9,468,200.00	3,081,088.45	20,894,559.12
April	11,737,749.40	452,041.18	12,189,790.58	9,041,200.00	3,148,590.58	24,043,149.70
May	9,577,378.83	1,272,251.68	10,849,630.51	8,429,200.00	2,420,430.51	26,463,580.21
June						
Sub Total	\$ 109,300,267.67	\$ 9,942,212.54	\$ 119,242,480.21	\$ 92,778,900.00		
Reserve GPW						
Total	<u>\$ 109,300,267.67</u>	<u>\$ 9,942,212.54</u>	<u>\$ 119,242,480.21</u>	<u>\$ 92,778,900.00</u>		<u>\$ 26,463,580.21</u>

UNAUDITED PRELIMINARY DRAFT



SECTION 3

LOTTERY SCHOLARSHIP TRUST ACCOUNT

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

	Fiscal Year June 30, 2023	Fiscal Year June 30, 2024 (YTD May 31, 2024)
Beginning Balance	\$ 192,693,718	\$ 249,160,965
Net Proceeds	\$ 113,091,393	\$ 109,300,268 (1)
Transfers to ADHE:	FY23	FY24
Academic Challenge Scholarships - Fall	9/23/22	9/28/23
Academic Challenge Scholarships - Spring	2/22/23	2/28/24
Concurrent Challenge Scholarships	12/7/22	7/14/23
Concurrent Challenge Scholarships	4/18/23	3/15/24
Workforce Scholarships		9/28/23
	\$ (30,000,000)	\$ (30,000,000)
	\$ (30,000,000)	\$ (30,000,000)
	\$ (2,000,000)	\$ (2,500,000)
	\$ (400,000)	\$ (2,500,000)
		\$ (750,000)
	<u>\$ (62,400,000)</u>	<u>\$ (65,750,000)</u>
Refund of Unused Scholarship Proceeds Requested:	FY23	FY24
	8/1/2023	
		\$ 5,775,854
Ending Balance	<u>\$ 249,160,965</u>	<u>\$ 292,711,233</u>

Note 1 - Does not include Unclaimed Prizes.



SECTION 4

UNCLAIMED PRIZES REPORT

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Unclaimed Prizes
May 31, 2024

	Monthly	Year to Date
Reserve Balance July 1, 2023		\$1,000,000.00
1. Unclaimed lottery prize money:	\$1,272,251.68	9,942,212.54
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	1,272,251.68	9,942,212.54
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		0
Reserve Balance May 31, 2024		\$10,942,212.54



SECTION 5

RETAILER LOSSES



Scholarship Lottery

**RETAILER LOSSES
(May 2024)**

RETAILER	LOSS
NONE	\$00.00
TOTAL RETAILERS = 2,022 (a/o 05-31-2024)	TOTAL LOSS = \$00.00



SECTION 6

DEBT SET-OFF / TAXES WITHHELD

**Department of Finance & Administration
Office of the Arkansas Lottery
Debt Set-off/Collections
And Retailer Losses
(May 2024)**

Arkansas Debt Set-Off	May-24	Total Since Inception
Department of Finance and Administration	\$ 7,402	\$ 1,855,691
Office of Child Support Enforcement	\$ 2,000	\$ 721,373
Total Debt Set-Off	\$ 9,402	\$ 2,577,064

Income Taxes Withheld	May-24	Total Since Inception
Federal	\$ 395,502	\$ 139,716,123
State	\$ 72,510	\$ 37,236,174
Total Income Taxes Withheld	\$ 468,012	\$ 176,952,297

As of 05/31/2024

Retailer losses \$0



SECTION 7

SALES BY COUNTY

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
May 1 through May 31, 2024

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LOTTO	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
ARKANSAS	\$12,224.00	\$9,550.50	\$16,045.00	\$552,648.00	\$8,080.00	\$3,812.00	\$12,245.00	\$3,306.00	\$12,939.00	\$630,849.50
ASHLEY	\$14,313.50	\$20,592.50	\$5,259.00	\$230,870.00	\$3,134.00	\$2,010.00	\$6,635.00	\$1,460.00	\$9,096.00	\$293,370.00
BAXTER	\$5,616.00	\$3,063.50	\$13,470.00	\$507,274.00	\$13,276.00	\$9,138.00	\$27,436.00	\$9,739.00	\$26,586.00	\$615,598.50
BENTON	\$7,564.00	\$3,908.50	\$19,027.00	\$1,611,374.00	\$70,850.00	\$24,826.00	\$135,505.00	\$24,570.00	\$120,499.00	\$2,018,123.50
BOONE	\$399.00	\$648.00	\$15,726.00	\$384,329.00	\$7,002.00	\$2,910.00	\$19,211.00	\$3,951.00	\$18,814.00	\$452,990.00
BRADLEY	\$2,127.00	\$4,210.50	\$2,383.00	\$186,046.00	\$2,406.00	\$1,692.00	\$3,946.00	\$960.00	\$4,028.00	\$207,798.50
CALHOUN	\$2,666.50	\$349.50	\$2,337.00	\$57,600.00	\$956.00	\$582.00	\$1,027.00	\$443.00	\$1,271.00	\$67,322.00
CARROLL	\$418.50	\$430.50	\$14,431.00	\$263,695.00	\$4,970.00	\$2,826.00	\$12,691.00	\$3,654.00	\$12,288.00	\$315,404.00
CHICOT	\$7,450.00	\$2,772.50	\$8,341.00	\$194,006.00	\$3,918.00	\$3,314.00	\$10,217.00	\$2,111.00	\$9,792.00	\$241,921.50
CLARK	\$4,757.00	\$1,342.00	\$13,824.00	\$389,595.00	\$7,998.00	\$2,808.00	\$12,615.00	\$4,007.00	\$11,427.00	\$448,373.00
CLAY	\$957.50	\$6.00	\$5,435.00	\$136,468.00	\$1,922.00	\$1,060.00	\$3,879.00	\$1,301.00	\$4,003.00	\$155,031.50
CLEBURNE	\$1,227.00	\$2,883.00	\$19,918.00	\$307,497.00	\$13,926.00	\$4,602.00	\$16,968.00	\$6,955.00	\$18,078.00	\$392,054.00
CLEVELAND	\$1,242.00	\$273.50	\$1,190.00	\$56,922.00	\$974.00	\$1,892.00	\$1,621.00	\$677.00	\$1,721.00	\$66,512.50
COLUMBIA	\$16,986.50	\$7,884.00	\$10,128.00	\$383,941.00	\$4,680.00	\$3,730.00	\$8,266.00	\$2,691.00	\$9,424.00	\$447,730.50
CONWAY	\$12,950.00	\$3,265.50	\$13,362.00	\$492,616.00	\$13,168.00	\$5,190.00	\$13,577.00	\$6,663.00	\$14,568.00	\$575,359.50
CRAIGHEAD	\$15,506.00	\$13,020.00	\$31,639.00	\$1,832,326.00	\$29,916.00	\$13,842.00	\$50,382.00	\$12,642.00	\$49,027.00	\$2,048,300.00
CRAWFORD	\$2,095.00	\$1,045.50	\$15,821.00	\$443,125.00	\$19,350.00	\$6,206.00	\$26,605.00	\$7,391.00	\$24,799.00	\$546,437.50
CRITTENDEN	\$52,788.50	\$31,716.00	\$14,594.00	\$930,913.00	\$11,052.00	\$11,478.00	\$44,339.00	\$10,884.00	\$52,674.00	\$1,160,438.50
CROSS	\$4,240.50	\$2,343.50	\$5,551.00	\$295,613.00	\$3,294.00	\$1,668.00	\$7,721.00	\$1,491.00	\$7,217.00	\$329,139.00
DALLAS	\$2,672.00	\$1,029.00	\$4,408.00	\$195,887.00	\$3,232.00	\$896.00	\$3,903.00	\$673.00	\$4,059.00	\$216,759.00
DESHA	\$3,084.00	\$2,407.00	\$4,099.00	\$256,556.00	\$3,422.00	\$1,904.00	\$7,192.00	\$2,079.00	\$7,304.00	\$288,047.00
DREW	\$4,690.00	\$3,296.00	\$7,166.00	\$347,337.00	\$5,656.00	\$3,134.00	\$10,643.00	\$3,239.00	\$10,741.00	\$395,902.00
FAULKNER	\$12,181.00	\$5,395.50	\$40,468.00	\$1,495,343.00	\$46,336.00	\$18,374.00	\$60,548.00	\$20,995.00	\$60,878.00	\$1,760,518.50
FRANKLIN	\$657.00	\$47.00	\$5,752.00	\$201,266.00	\$7,096.00	\$1,398.00	\$20,481.00	\$2,593.00	\$9,525.00	\$238,815.00
FULTON	\$158.00	\$617.00	\$4,532.00	\$58,900.00	\$978.00	\$704.00	\$2,244.00	\$897.00	\$2,932.00	\$71,962.00
GARLAND	\$12,454.00	\$5,124.00	\$32,935.00	\$1,309,790.00	\$52,934.00	\$18,240.00	\$81,152.00	\$34,128.00	\$75,907.00	\$1,622,664.00
GRANT	\$1,272.00	\$972.00	\$7,378.00	\$218,645.00	\$7,398.00	\$2,772.00	\$8,765.00	\$3,238.00	\$7,918.00	\$258,358.00
GREENE	\$866.00	\$653.00	\$22,636.00	\$701,763.00	\$9,818.00	\$4,500.00	\$20,855.00	\$6,035.00	\$21,750.00	\$788,876.00
HEMPSTEAD	\$76,139.50	\$28,033.50	\$9,035.00	\$384,633.00	\$4,572.00	\$3,566.00	\$9,599.00	\$2,738.00	\$9,805.00	\$528,121.00
HOT SPRING	\$2,914.50	\$1,317.50	\$12,393.00	\$418,891.00	\$11,044.00	\$5,212.00	\$13,923.00	\$3,970.00	\$14,713.00	\$484,378.00
HOWARD	\$62,369.50	\$16,123.50	\$7,465.00	\$227,129.00	\$2,614.00	\$2,528.00	\$6,716.00	\$1,612.00	\$6,330.00	\$332,887.00
INDEPENDENCE	\$3,315.50	\$1,072.50	\$34,229.00	\$665,150.00	\$9,396.00	\$3,642.00	\$18,712.00	\$4,870.00	\$18,795.00	\$759,182.00
IZARD	\$42.50	\$22.00	\$7,480.00	\$86,769.00	\$2,168.00	\$824.00	\$4,378.00	\$1,441.00	\$4,213.00	\$107,337.50
JACKSON	\$19,656.50	\$9,667.00	\$13,287.00	\$321,485.00	\$4,418.00	\$1,522.00	\$8,555.00	\$2,982.00	\$8,193.00	\$389,765.50
JEFFERSON	\$52,878.00	\$41,300.50	\$32,654.00	\$1,490,509.00	\$34,092.00	\$18,612.00	\$43,188.00	\$19,762.00	\$50,280.00	\$1,783,275.50
JOHNSON	\$570.50	\$1,801.50	\$2,448.00	\$272,775.00	\$7,044.00	\$2,846.00	\$12,030.00	\$3,593.00	\$12,358.00	\$315,466.00
LAFAYETTE	\$11,109.50	\$4,908.50	\$1,919.00	\$91,000.00	\$878.00	\$988.00	\$2,754.00	\$754.00	\$2,580.00	\$116,891.00
LAWRENCE	\$783.00	\$168.00	\$13,653.00	\$271,930.00	\$4,026.00	\$2,630.00	\$7,111.00	\$2,211.00	\$7,193.00	\$309,705.00
LEE	\$3,992.50	\$9,967.00	\$3,481.00	\$77,838.00	\$910.00	\$2,576.00	\$2,411.00	\$331.00	\$2,647.00	\$104,153.50
LINCOLN	\$599.00	\$210.50	\$3,181.00	\$106,565.00	\$2,610.00	\$1,910.00	\$3,659.00	\$1,462.00	\$3,464.00	\$123,660.50
LITTLE RIVER	\$9,727.50	\$3,417.50	\$3,915.00	\$146,771.00	\$1,550.00	\$1,362.00	\$5,892.00	\$1,240.00	\$5,733.00	\$179,608.00
LOGAN	\$460.00	\$38.50	\$14,693.00	\$276,838.00	\$7,456.00	\$2,196.00	\$8,289.00	\$3,453.00	\$9,075.00	\$322,498.50
LONOKE	\$14,645.00	\$8,668.50	\$30,237.00	\$1,185,323.00	\$37,268.00	\$10,304.00	\$45,930.00	\$16,035.00	\$44,945.00	\$1,393,355.50
MADISON	\$46.50	\$37.50	\$3,425.00	\$98,214.00	\$4,250.00	\$1,772.00	\$7,278.00	\$1,344.00	\$6,878.00	\$123,245.00
MARION	\$4,212.50	\$2,915.50	\$8,930.00	\$228,218.00	\$4,354.00	\$2,322.00	\$9,783.00	\$4,338.00	\$9,901.00	\$276,084.00
MILLER	\$42,552.00	\$15,378.50	\$13,031.00	\$596,670.00	\$8,104.00	\$7,554.00	\$19,369.00	\$5,372.00	\$18,054.00	\$726,084.50
MISSISSIPPI	\$61,194.50	\$24,408.50	\$10,819.00	\$818,777.00	\$5,912.00	\$4,358.00	\$19,510.00	\$3,552.00	\$20,591.00	\$969,122.00

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
May 1 through May 31, 2024

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LOTTO	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
MONROE	\$13,879.50	\$7,181.50	\$8,306.00	\$193,490.00	\$3,438.00	\$1,514.00	\$7,616.00	\$2,046.00	\$7,890.00	\$245,361.00
MONTGOMERY	\$36.50	\$0.50	\$2,101.00	\$42,745.00	\$2,082.00	\$482.00	\$2,755.00	\$750.00	\$2,627.00	\$53,579.00
NEVADA	\$3,911.50	\$3,158.00	\$1,670.00	\$159,706.00	\$1,526.00	\$1,338.00	\$4,779.00	\$1,189.00	\$4,341.00	\$181,618.50
NEWTON	\$94.00	\$86.50	\$1,230.00	\$60,591.00	\$1,138.00	\$434.00	\$2,504.00	\$799.00	\$2,621.00	\$69,497.50
OUACHITA	\$15,415.00	\$10,257.00	\$14,171.00	\$643,314.00	\$9,090.00	\$4,290.00	\$11,852.00	\$3,746.00	\$13,123.00	\$725,258.00
PERRY	\$966.00	\$997.50	\$3,198.00	\$113,687.00	\$3,744.00	\$1,476.00	\$5,109.00	\$1,702.00	\$4,581.00	\$135,460.50
PHILLIPS	\$19,381.00	\$8,011.50	\$3,377.00	\$208,485.00	\$2,514.00	\$2,396.00	\$9,653.00	\$3,225.00	\$10,094.00	\$267,136.50
PIKE	\$254.00	\$138.00	\$4,070.00	\$129,398.00	\$5,020.00	\$1,636.00	\$5,575.00	\$2,609.00	\$5,304.00	\$154,004.00
POINSETT	\$4,654.00	\$1,531.50	\$16,784.00	\$532,889.00	\$6,734.00	\$1,912.00	\$11,618.00	\$2,523.00	\$10,734.00	\$589,379.50
POLK	\$1,410.00	\$202.00	\$11,754.00	\$190,958.00	\$5,684.00	\$2,522.00	\$9,871.00	\$3,643.00	\$10,524.00	\$236,568.00
POPE	\$4,374.50	\$1,733.50	\$21,957.00	\$915,246.00	\$25,338.00	\$10,900.00	\$39,141.00	\$11,884.00	\$36,354.00	\$1,066,928.00
PRAIRIE	\$1,936.50	\$615.50	\$3,562.00	\$124,713.00	\$1,812.00	\$766.00	\$3,663.00	\$615.00	\$3,736.00	\$141,419.00
PULASKI	\$218,431.00	\$154,506.50	\$242,356.00	\$7,697,982.00	\$404,632.00	\$326,314.00	\$739,139.00	\$233,613.00	\$578,528.00	\$10,595,501.50
RANDOLPH	\$301.00	\$100.50	\$6,712.00	\$212,090.00	\$3,836.00	\$2,270.00	\$9,619.00	\$1,921.00	\$8,999.00	\$245,848.50
SAINT FRANCIS	\$30,475.00	\$10,686.00	\$5,415.00	\$356,578.00	\$4,006.00	\$3,082.00	\$12,202.00	\$2,777.00	\$14,575.00	\$439,796.00
SALINE	\$33,470.00	\$9,732.00	\$49,786.00	\$1,294,621.00	\$51,232.00	\$18,092.00	\$59,003.00	\$19,500.00	\$58,742.00	\$1,594,178.00
SCOTT	\$180.00	\$90.50	\$1,591.00	\$143,191.00	\$2,894.00	\$942.00	\$5,214.00	\$922.00	\$5,174.00	\$160,198.50
SEARCY	\$49.50	\$132.00	\$4,535.00	\$88,688.00	\$1,724.00	\$448.00	\$3,702.00	\$765.00	\$3,658.00	\$103,701.50
SEBASTIAN	\$15,391.00	\$4,741.00	\$31,086.00	\$1,047,723.00	\$45,222.00	\$17,976.00	\$75,419.00	\$23,372.00	\$73,533.00	\$1,334,463.00
SEVIER	\$6,272.50	\$463.50	\$1,833.00	\$189,718.00	\$2,682.00	\$1,250.00	\$7,134.00	\$1,947.00	\$6,162.00	\$217,462.00
SHARP	\$1,349.50	\$359.50	\$17,011.00	\$371,842.00	\$7,902.00	\$4,544.00	\$13,837.00	\$5,156.00	\$14,801.00	\$436,802.00
STONE	\$630.00	\$32.00	\$3,587.00	\$118,082.00	\$4,478.00	\$1,528.00	\$5,673.00	\$2,751.00	\$5,251.00	\$142,012.00
UNION	\$82,394.50	\$42,893.50	\$24,118.00	\$849,052.00	\$8,886.00	\$7,884.00	\$20,808.00	\$6,151.00	\$23,537.00	\$1,065,724.00
VAN BUREN	\$1,061.00	\$745.00	\$5,397.00	\$246,434.00	\$7,746.00	\$2,390.00	\$12,091.00	\$3,926.00	\$10,859.00	\$290,649.00
WASHINGTON	\$22,376.00	\$9,547.00	\$28,798.00	\$1,763,449.00	\$69,592.00	\$26,226.00	\$118,506.00	\$24,668.00	\$107,003.00	\$2,170,165.00
WHITE	\$17,391.50	\$6,091.50	\$45,207.00	\$1,054,254.00	\$26,154.00	\$7,994.00	\$36,135.00	\$11,263.00	\$35,408.00	\$1,239,898.00
WOODRUFF	\$1,538.50	\$1,414.50	\$3,082.00	\$130,778.00	\$2,364.00	\$1,076.00	\$4,456.00	\$1,253.00	\$4,723.00	\$150,685.00
YELL	\$247.00	\$459.00	\$6,453.00	\$274,929.00	\$7,434.00	\$1,988.00	\$8,535.00	\$3,315.00	\$9,369.00	\$312,729.00

GRAND TOTALS	*Cash 3	*Cash 4	*Fast Play	*Instant Settlements	*Lotto	*Lucky for Life	*Mega Millions	*Natural State Jackpot	*Powerball	*Total Sales
	\$1,068,641.50	\$574,299.00	\$1,153,277.00	\$40,962,463.00	\$1,229,312.00	\$686,012.00	\$2,115,365.00	\$637,864.00	\$1,937,264.00	\$50,364,497.50



SECTION 8

TOTAL NUMBER OF RETAILERS

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

May 2024

Active	1,849
Renewal	173
Total	2,022

Photon	2,101
TVM	126
DreamTouch Smart	84
Total	2,311

Monthly Highlights

- ▶ 4,564,150 total transactions were processed through the Arkansas Scholarship Lottery System in May.
- ▶ 852 service tickets resolved by Field Service, Call Center, and Operations for May.
- ▶ 546 preventative maintenance actions completed by Field Service Technicians for May.





SECTION 9

ARKANSAS DEPARTMENT OF
HIGHER EDUCATION

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
ADHE Requests
May 1 through May 31, 2024**

There were no requests from the Arkansas Department of Higher Education (ADHE) during the month of May 2024.



SECTION 10

INSTANT TICKET GAME RELEASES

DFA/Office of the Arkansas Lottery
Instant & Fast Play Games
May 2024

There were no new Instant games that started sales in May 2024.

There were no new Fast Play games that started sales in May 2024.



SECTION 11

CONTRACTS

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Contracts
May 1 through May 31, 2024**

There were no contracts entered into in excess of \$20,000 by Arkansas Department of Finance and Administration Office of the Arkansas Lottery during the month of May 2024.



SECTION 12

INTERNAL AUDITOR REPORTS

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Internal Auditor Report
May 1 through May 31, 2024**

The following Internal Auditor Report regarding the 2024-07 Instant Ticket Game Development process was received during the reporting period of May 2024.



STATE OF ARKANSAS
Department of Finance and Administration

OFFICE OF THE ARKANSAS LOTTERY
Post Office Box 3238
Little Rock, Arkansas 72203-3238
Phone: (501) 683-2010

William C. Miller, CPA, CGMA
Internal Auditor

<u>Audit:</u>	2024-07 Instant Ticket Game Development	<u>Report Date:</u> May 23, 2024
<u>Report Distribution:</u>	Jim Hudson, Secretary Department of Finance and Administration	<u>For Fiscal Year:</u> June 30, 2024
	<u>Office of the Arkansas Lottery</u> Mike Smith, Director of Gaming Jerry Fetzer, Chief Financial Officer Brent Standridge, Chief Legal Counsel	

Introduction

A scheduled audit of the Instant & Online Ticket Game Development process for fiscal year ending June 30, 2024, has been completed by Internal Audit (IA). The audit was conducted in accordance with the Office of the Arkansas Lottery (OAL) Internal Audit Charter, which governs the types and objectives of engagements performed by the OAL Internal Audit function.

Background

Working with gaming partners Scientific Games, the OAL Gaming Director and Product Manager develop instant ticket games to offer to the public as part of the OAL's game portfolio on a continual basis. The instant ticket planning process occurs months in advance of a ticket launch and involves determining game themes, artwork, prize structures, price points, and timing of game launch to maximize sales based on customer demands and preferences. The level of planning and details involved in developing an instant ticket game requires OAL personnel to work closely with Scientific Games to ensure game specifications are determined and understood and that each party agrees on key elements of an instant game prior to the time that Scientific Games prints an instant ticket game. Agreement on game specifications prior to production is formalized through sign-off by OAL Gaming Director and Scientific Games Director and Sales Marketing Arkansas.

Purpose, Objectives, and Scope

The overall purpose, objectives, and scope of the audit were as follows:

Purpose

The purpose of this audit was to ensure that there are adequate controls and procedures in place relative to the instant and online ticket game development processes.

Objectives

Ensure the OAL has adequate policies and procedures in place to review design, prize structure, and order quantity of Instant Ticket games prior to being placed into production at the SGI printing facilities.

Scope

The procedures performed included inspection and review of game specifications, correspondence with gaming vendors, design documentation, prize structures, representations of tickets and game odds posted on the OAL's website, project plans, and play slip approval documentation for selected instant games offered by the OAL. Transactions and documentation selected for testing included items generated from January 1, 2024, and March 22, 2024. Only transactions or events that had occurred as of the date testing selections were made were considered within its scope. As such, no supporting documents generated after March 22, 2024, were selected for testing.

Observations

Observation #: 1

Observation Title: Dupont Image Approval

Internal Audit Observation: One Instant Ticket Game Dupont Image was not approved prior to printing of product.

Discussion and Background: IA selected a hundred percent of Instant Ticket Game developments that occurred during the scope period for further testing. IA developed an Internal Control Walkthrough, obtained the policies and procedures as well as obtained electronic files from the Gaming Department to conduct audit procedures. IA noted that Instant Ticket Game #771 Dupont Image was not obtained nor approved by OAL staff prior to printing of product began.

Cause: IA did not note the work paper review and approval in the review process of the Dupont Images section of the policies and procedures.

Effect: Could lead to product being printed that does not meet OAL specifications or result in an Instant Ticket Game product that could be unmarketable to the public.

Internal Audit Recommendations: IA recommends that Management expand on the policies and procedures to include policies and procedures to include the staff member responsible for reviewing and documenting the review that each stage of the process is complete. Documentation could include a separate signoff sheet for each stage or an overall checklist that ties to the Instant Ticket Game number's electronic documentation file.

Observation #: 2

Observation Title: Myarkansaslottery.com Instant Ticket Game Public Information

Internal Audit Observation: One Instant Ticket Game odds misstated on OAL's website.

Discussion and Background: IA selected a hundred percent of Instant Ticket Game developments that occurred during the scope period for further testing. IA developed an Internal Control Walkthrough, obtained the policies and procedures as well as obtained electronic files from the Gaming Department to conduct audit procedures. IA noted that Instant Ticket Game #772 odds were not properly stated on the OAL website, myarkansaslottery.com.

Cause: IA did not note the work paper review and approval in the review process of the website display section of the policies and procedures.

Effect: Could lead to product not performing as well as anticipated due to misperception as to the odds of winning. Could be viewed to the public as misleading advertising, resulting in damage to OAL's reputation and brand.

Internal Audit Recommendations: IA recommends that Management expand on the policies and procedures to include the staff member responsible for reviewing and documenting the review that each stage of the process is complete. Documentation could include a separate signoff sheet for each stage or an overall checklist that ties to the Instant Ticket Game number's electronic documentation file.

Management Response

Management concurs with the observations and recommendations outlined by Internal Audit.

William C. Miller, CPA

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Director of Internal Audit