



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>

October 9, 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 September 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 black 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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October 9, 2017

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

RE: Monthly Disclosure Reports

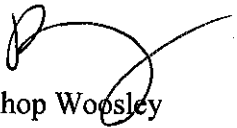
Gentlemen:

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Respectfully submitted,


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
September 1 through September 30, 2017**

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

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

1. Debt Set-Off Collections:

a.	Arkansas Department of Finance and Administration	\$3,200.00
b.	Arkansas Office of Child Support Enforcement - Child Support	\$9,066.60
	Total Debt Set-Off:	<u>\$12,266.60</u>

2. Retailer losses for period September 1 through September 30, 2017: None.

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
September 1 through September, 2017**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$7,006.50	\$4,454.50	\$12,600.00	\$458,008.00	\$1,646.00	\$9,181.00	\$6,392.00	\$19,791.00	\$519,079.00
ASHLEY	\$10,273.00	\$10,323.00	\$3,836.00	\$114,613.00	\$1,086.00	\$4,274.00	\$2,160.00	\$13,022.00	\$159,587.00
BAXTER	\$2,675.00	\$2,290.00	\$8,304.00	\$363,176.00	\$6,382.00	\$12,706.00	\$13,211.00	\$29,922.00	\$438,666.00
BENTON	\$6,880.00	\$3,254.00	\$24,367.00	\$1,082,692.00	\$11,594.00	\$52,477.00	\$34,129.00	\$118,151.00	\$1,333,544.00
BOONE	\$2,145.50	\$1,783.50	\$9,728.00	\$426,049.00	\$2,132.00	\$11,335.00	\$5,640.00	\$25,382.00	\$484,195.00
BRADLEY	\$1,266.50	\$2,677.00	\$1,805.00	\$127,500.00	\$686.00	\$2,089.00	\$1,844.00	\$7,049.00	\$144,916.50
CALHOUN	\$3,947.50	\$896.50	\$1,133.00	\$44,109.00	\$556.00	\$1,260.00	\$924.00	\$2,248.00	\$55,074.00
CARROLL	\$239.00	\$537.50	\$4,839.00	\$234,560.00	\$1,472.00	\$6,843.00	\$3,745.00	\$15,685.00	\$267,920.50
CHICOT	\$7,831.50	\$5,098.50	\$1,991.00	\$170,400.00	\$4,178.00	\$17,730.00	\$7,535.00	\$43,604.00	\$258,368.00
CLARK	\$3,223.50	\$1,703.50	\$15,855.00	\$286,829.00	\$1,556.00	\$6,814.00	\$5,415.00	\$15,097.00	\$336,493.00
CLAY	\$228.50	\$29.00	\$1,889.00	\$96,000.00	\$440.00	\$1,627.00	\$1,793.00	\$4,679.00	\$106,685.50
CLEBURNE	\$1,936.50	\$745.00	\$15,948.00	\$290,509.00	\$2,558.00	\$10,455.00	\$11,812.00	\$21,134.00	\$355,097.50
CLEVELAND	\$343.00	\$551.50	\$855.00	\$49,750.00	\$220.00	\$928.00	\$1,399.00	\$1,999.00	\$56,045.50
COLUMBIA	\$15,208.00	\$8,026.00	\$9,510.00	\$302,724.00	\$1,766.00	\$5,540.00	\$3,361.00	\$11,942.00	\$358,077.00
CONWAY	\$4,564.00	\$1,878.50	\$8,954.00	\$457,843.00	\$1,714.00	\$8,860.00	\$8,948.00	\$21,413.00	\$514,174.50
CRAIGHEAD	\$8,214.50	\$4,701.00	\$31,343.00	\$1,273,964.00	\$5,200.00	\$25,409.00	\$19,037.00	\$54,732.00	\$1,422,600.50
CRAWFORD	\$1,556.50	\$514.50	\$9,647.00	\$331,568.00	\$3,172.00	\$16,028.00	\$14,508.00	\$33,992.00	\$410,986.00
CRITTENDEN	\$21,855.50	\$13,533.00	\$7,274.00	\$517,433.00	\$4,790.00	\$22,605.00	\$11,169.00	\$54,243.00	\$652,902.50
CROSS	\$4,016.00	\$2,103.50	\$5,469.00	\$217,956.00	\$798.00	\$4,392.00	\$4,296.00	\$9,581.00	\$248,611.50
DALLAS	\$1,823.50	\$848.00	\$3,537.00	\$130,431.00	\$524.00	\$2,421.00	\$3,348.00	\$5,744.00	\$148,676.50
DESHA	\$5,618.00	\$2,299.50	\$1,548.00	\$192,883.00	\$1,132.00	\$6,132.00	\$4,910.00	\$12,193.00	\$226,715.50
DREW	\$1,607.50	\$1,146.00	\$7,684.00	\$212,478.00	\$1,984.00	\$5,811.00	\$3,984.00	\$13,602.00	\$248,296.50
FAULKNER	\$11,197.00	\$5,474.00	\$36,875.00	\$1,198,584.00	\$7,734.00	\$34,649.00	\$37,866.00	\$74,900.00	\$1,407,279.00
FRANKLIN	\$328.00	\$335.00	\$7,142.00	\$145,373.00	\$862.00	\$5,353.00	\$3,919.00	\$12,584.00	\$175,896.00
FULTON	\$229.00	\$132.00	\$3,815.00	\$71,556.00	\$316.00	\$1,424.00	\$1,358.00	\$3,411.00	\$82,241.00
GARLAND	\$8,436.00	\$5,823.00	\$32,793.00	\$882,819.00	\$11,444.00	\$42,164.00	\$48,992.00	\$87,408.00	\$1,119,879.00
GRANT	\$918.00	\$249.50	\$5,179.00	\$156,639.00	\$984.00	\$4,177.00	\$4,595.00	\$8,990.00	\$181,731.50
GREENE	\$873.00	\$507.00	\$15,355.00	\$540,542.00	\$3,400.00	\$11,763.00	\$8,055.00	\$28,045.00	\$608,540.00
HEMPSTEAD	\$37,395.00	\$13,312.50	\$7,352.00	\$317,783.00	\$1,138.00	\$6,135.00	\$3,641.00	\$11,804.00	\$398,560.50
HOT SPRING	\$1,082.00	\$678.00	\$7,645.00	\$293,474.00	\$2,136.00	\$9,531.00	\$8,656.00	\$18,317.00	\$341,519.00

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
September 1 through September, 2017

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$18,317.50	\$7,841.50	\$20,718.00	\$215,048.00	\$1,200.00	\$4,605.00	\$3,477.00	\$7,563.00	\$278,770.00
INDEPENDENCE	\$4,849.50	\$1,495.50	\$27,316.00	\$542,850.00	\$2,130.00	\$11,294.00	\$9,512.00	\$26,348.00	\$625,795.00
IZARD	\$189.00	\$60.00	\$7,104.00	\$88,786.00	\$644.00	\$3,079.00	\$4,255.00	\$6,258.00	\$110,375.00
JACKSON	\$12,535.00	\$7,242.00	\$16,698.00	\$283,941.00	\$1,658.00	\$5,475.00	\$5,702.00	\$12,051.00	\$345,302.00
JEFFERSON	\$43,202.00	\$30,954.00	\$39,269.00	\$1,406,158.00	\$7,126.00	\$31,079.00	\$30,105.00	\$62,539.00	\$1,650,432.00
JOHNSON	\$456.50	\$258.00	\$3,944.00	\$224,045.00	\$1,196.00	\$5,660.00	\$5,293.00	\$12,542.00	\$253,394.50
LAFAYETTE	\$7,979.50	\$2,358.50	\$1,864.00	\$63,900.00	\$460.00	\$1,486.00	\$856.00	\$2,963.00	\$81,867.00
LAWRENCE	\$981.50	\$274.00	\$5,572.00	\$207,349.00	\$682.00	\$3,352.00	\$2,770.00	\$8,370.00	\$229,350.50
LEE	\$2,316.00	\$3,598.50	\$605.00	\$66,658.00	\$318.00	\$2,111.00	\$604.00	\$3,584.00	\$79,794.50
LINCOLN	\$370.50	\$361.50	\$3,937.00	\$94,742.00	\$604.00	\$2,714.00	\$2,870.00	\$5,140.00	\$110,739.00
LITTLE RIVER	\$3,798.50	\$3,673.00	\$2,870.00	\$99,492.00	\$584.00	\$3,047.00	\$1,689.00	\$6,179.00	\$121,332.50
LOGAN	\$1,028.50	\$268.50	\$8,877.00	\$186,510.00	\$1,218.00	\$6,029.00	\$4,346.00	\$13,414.00	\$221,691.00
LONOKE	\$11,025.00	\$6,166.00	\$27,421.00	\$862,210.00	\$6,322.00	\$26,632.00	\$26,250.00	\$55,534.00	\$1,021,560.00
MADISON	\$138.50	\$32.50	\$559.00	\$67,212.00	\$772.00	\$3,375.00	\$2,323.00	\$7,971.00	\$82,383.00
MARION	\$2,016.00	\$631.00	\$5,278.00	\$158,493.00	\$1,910.00	\$5,005.00	\$4,797.00	\$11,535.00	\$189,665.00
MILLER	\$22,472.00	\$11,951.00	\$11,944.00	\$526,211.00	\$2,822.00	\$11,083.00	\$4,998.00	\$21,189.00	\$612,670.00
MISSISSIPPI	\$38,627.00	\$16,500.00	\$8,891.00	\$446,968.00	\$1,784.00	\$9,101.00	\$4,597.00	\$21,339.00	\$547,807.00
MONROE	\$3,008.50	\$1,292.50	\$3,277.00	\$131,656.00	\$554.00	\$3,342.00	\$2,757.00	\$8,538.00	\$154,425.00
MONTGOMERY	\$24.00	\$24.00	\$1,709.00	\$27,196.00	\$448.00	\$1,711.00	\$1,641.00	\$3,822.00	\$36,575.00
NEVADA	\$2,357.00	\$1,846.00	\$3,673.00	\$143,964.00	\$974.00	\$2,308.00	\$1,444.00	\$5,140.00	\$161,706.00
NEWTON	\$143.00	\$70.00	\$6,034.00	\$44,622.00	\$226.00	\$1,403.00	\$1,029.00	\$2,299.00	\$55,826.00
OUACHITA	\$13,473.00	\$5,438.50	\$16,664.00	\$489,929.00	\$1,710.00	\$7,593.00	\$6,319.00	\$16,439.00	\$557,565.50
PERRY	\$653.00	\$428.00	\$1,313.00	\$106,018.00	\$436.00	\$2,833.00	\$2,070.00	\$5,430.00	\$119,181.00
PHILLIPS	\$9,950.50	\$4,876.00	\$1,091.00	\$169,687.00	\$2,280.00	\$12,149.00	\$3,961.00	\$27,384.00	\$231,378.50
PIKE	\$372.50	\$52.00	\$8,398.00	\$95,512.00	\$542.00	\$3,231.00	\$2,644.00	\$6,252.00	\$117,003.50
POINSETT	\$5,483.50	\$1,112.00	\$9,704.00	\$392,117.00	\$1,130.00	\$6,008.00	\$5,067.00	\$15,409.00	\$436,030.50
POLK	\$721.50	\$51.00	\$4,955.00	\$116,755.00	\$1,234.00	\$5,829.00	\$4,303.00	\$13,455.00	\$147,303.50
POPE	\$3,839.50	\$1,987.00	\$15,174.00	\$737,366.00	\$4,996.00	\$20,729.00	\$18,192.00	\$46,689.00	\$848,972.50
PRAIRIE	\$1,929.50	\$1,035.50	\$6,589.00	\$171,111.00	\$444.00	\$2,611.00	\$1,993.00	\$6,229.00	\$191,942.00
PULASKI	\$111,215.00	\$92,083.00	\$160,772.00	\$5,791,397.00	\$43,398.00	\$167,352.00	\$169,877.00	\$337,604.00	\$6,873,698.00
RANDOLPH	\$358.50	\$427.50	\$5,028.00	\$198,018.00	\$1,348.00	\$4,922.00	\$2,227.00	\$8,631.00	\$220,960.00

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
September 1 through September, 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	\$12,419.00	\$10,563.00	\$2,553.00	\$269,277.00	\$1,580.00	\$6,905.00	\$4,831.00	\$16,683.00	\$324,811.00
SALINE	\$9,874.50	\$6,788.50	\$40,992.00	\$1,077,910.00	\$9,008.00	\$36,171.00	\$38,200.00	\$76,593.00	\$1,295,537.00
SCOTT	\$154.50	\$32.50	\$1,292.00	\$71,839.00	\$746.00	\$2,705.00	\$1,904.00	\$6,218.00	\$84,891.00
SEARCY	\$76.50	\$216.50	\$709.00	\$92,261.00	\$514.00	\$1,987.00	\$2,000.00	\$4,615.00	\$102,379.00
SEBASTIAN	\$16,148.00	\$5,622.50	\$13,752.00	\$748,396.00	\$8,938.00	\$42,360.00	\$36,165.00	\$91,221.00	\$962,602.50
SEVIER	\$1,508.50	\$599.50	\$510.00	\$109,586.00	\$782.00	\$3,634.00	\$1,486.00	\$7,578.00	\$125,684.00
SHARP	\$1,185.50	\$652.00	\$11,475.00	\$241,887.00	\$1,646.00	\$5,639.00	\$5,738.00	\$13,570.00	\$281,792.50
STONE	\$3,572.50	\$1,223.50	\$12,622.00	\$115,124.00	\$1,122.00	\$3,265.00	\$4,418.00	\$7,026.00	\$148,373.00
UNION	\$48,144.00	\$21,303.50	\$29,035.00	\$783,218.00	\$3,510.00	\$13,568.00	\$8,559.00	\$31,229.00	\$938,566.50
VAN BUREN	\$548.00	\$738.00	\$4,178.00	\$151,096.00	\$1,042.00	\$4,902.00	\$4,683.00	\$10,485.00	\$177,672.00
WASHINGTON	\$13,146.00	\$6,219.00	\$23,615.00	\$1,415,281.00	\$12,620.00	\$54,965.00	\$40,074.00	\$117,808.00	\$1,683,728.00
WHITE	\$6,058.50	\$4,716.00	\$47,425.00	\$1,082,832.00	\$5,876.00	\$22,726.00	\$24,065.00	\$49,500.00	\$1,243,198.50
WOODRUFF	\$2,633.00	\$1,867.00	\$932.00	\$110,120.00	\$418.00	\$1,833.00	\$2,006.00	\$4,204.00	\$124,013.00
YELL	\$1,887.50	\$94.00	\$15,752.00	\$254,909.00	\$1,098.00	\$5,353.00	\$5,398.00	\$11,292.00	\$295,783.50

GRAND TOTALS	*Cash 3	*Cash 4	*Fast Play	*Instant Settlements	*Lucky for Life	*Mega Millions	*Natural State Jackpot	*Powerball	*Total Sales
	\$614,105.00	\$360,928.50	\$946,362.00	\$31,667,902.00	\$223,650.00	\$933,274.00	\$804,137.00	\$2,016,526.00	\$37,566,884.50

*Estimates

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

There were 1,935 active retailers as of September 30, 2017.

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Net Position
September 30, 2017**

ASSETS

Current assets:	
Cash and cash equivalents	\$ 4,770,192.35
Restricted assets:	
Cash and cash equivalents	70,557,673.06
Accounts receivable	11,429,487.54
Prepaid items	90,224.47
Total current assets	<u>86,847,577.42</u>
Non-current assets:	
Restricted assets:	
Cash and cash equivalents	20,165,791.74
Deposits with Multi-State Lottery Association	1,801,588.70
Capital assets (Net of accumulated depreciation)	395,149.07
Total non-current assets	<u>22,362,529.51</u>
 Total assets	 109,210,106.93
Deferred outflows of resources:	
Related to pension	<u>1,717,009.16</u>
 Total assets and deferred outflows of resources	 <u>\$ 110,927,116.09</u>

LIABILITIES

Current liabilities:	
Accounts payable	\$ 14,290.39
Prizes payable	18,843,933.86
Accrued and other liabilities	2,674,624.26
Due to other funds of the State	679,989.32
Payable to ADHE for Education Trust Account	67,725,096.01
Compensated absences	337,729.60
Unearned revenue	202,512.82
Total current liabilities	<u>90,478,176.26</u>
Long-Term liabilities:	
Net other post employment benefits	2,257,180.34
Net pension liability	4,732,352.00
Total long-term liabilities	<u>6,989,532.34</u>
 Total liabilities	 97,467,708.60
Deferred inflows of resources:	
Related to pension	<u>703,066.00</u>
 Total liabilities and deferred inflows of resources	 <u>98,170,774.60</u>

NET POSITION

Net position:	
Invested in capital assets	395,149.07
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer fidelity reserve	165,791.74
Retailer bond reserve	446,512.55
Deposits with Multi-State Lottery Association	1,801,588.70
Unclaimed prizes reserve	2,712,306.84
Unrestricted (deficit)	<u>(12,765,007.41)</u>
 Total net position	 <u>12,756,341.49</u>
 Total liabilities, deferred inflows of resources and net position	 <u>\$ 110,927,116.09</u>

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues, Expenses and Change in Net Position
For Three Months Ended September 30, 2017

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 30,305,676.00	\$ 95,483,021.00
Online ticket sales	5,997,674.00	26,906,592.50
Retailer application, fidelity, bond and service fees	101,482.69	218,534.53
Other revenue	<u>898.45</u>	<u>3,439.15</u>
 Total operating revenues	 <u>36,405,731.14</u>	 <u>122,611,587.18</u>
 Operating expenses:		
Instant game prizes	22,146,089.91	68,174,716.34
Online game prizes	3,276,674.72	14,385,446.85
Retailer commissions	2,054,885.75	6,884,931.78
Gaming contract costs	1,552,549.09	5,940,235.56
Compensation and benefits	405,829.52	1,250,632.65
Marketing, advertising and promotions	494,348.98	1,612,788.58
General and administrative expenses	193,144.27	1,227,511.37
Services provided by Arkansas Department of Higher Education	37,000.00	110,666.00
Services provided by Arkansas Legislative Audit	11,300.00	33,850.00
Legal and professional services	164.39	467.88
Depreciation	<u>8,730.61</u>	<u>25,435.63</u>
 Total operating expenses	 <u>30,180,717.24</u>	 <u>99,646,682.64</u>
 Operating income (1)	 6,225,013.90	 22,964,904.54
 Non-operating revenue:		
Interest income	<u>106,061.24</u>	<u>300,729.11</u>
 Income before transfers	 6,331,075.14	 23,265,633.65
 Transfers to:		
Education Trust Account (2)	<u>(6,755,333.93)</u>	<u>(22,329,838.46)</u>
 Change in net position	 <u>\$ (424,258.79)</u>	 935,795.19
 Total net position - beginning		 11,820,546.30
Total net position - ending		<u>\$ 12,756,341.49</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 Three Months Ended September 30, 2017

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating revenues:										
Instant games	\$ 30,305,676.00	83.24	\$ 28,911,000.00	80.89	\$ 1,394,676.00	\$ 95,483,021.00	77.87	\$ 86,142,000.00	80.94	\$ 9,341,021.00
Online games	5,997,674.00	16.47	6,731,000.00	18.83	(733,326.00)	26,906,592.50	21.94	19,987,000.00	18.78	6,919,592.50
Retailer fees	101,482.69	0.28	98,000.00	0.27	3,482.69	218,534.53	0.18	300,000.00	0.28	(81,465.47)
Other revenue	<u>898.45</u>	0.00	<u>1,000.00</u>	0.00	<u>(101.55)</u>	<u>3,439.15</u>	0.00	<u>3,000.00</u>	0.00	<u>439.15</u>
Total operating revenues	<u>36,405,731.14</u>	100.00	<u>35,741,000.00</u>	100.00	<u>664,731.14</u>	<u>122,611,587.18</u>	100.00	<u>106,432,000.00</u>	100.00	<u>16,179,587.18</u>
Operating expenses:										
Instant game prizes	22,146,089.91	60.83	20,978,000.00	58.69	1,168,089.91	68,174,716.34	55.60	62,455,421.00	58.68	5,719,295.34
Online game prizes	3,276,674.72	9.00	3,336,000.00	9.33	(59,325.28)	14,385,446.85	11.73	9,930,219.00	9.33	4,455,227.85
Retailer commissions	2,054,885.75	5.64	2,013,000.00	5.63	41,885.75	6,884,931.78	5.62	5,995,000.00	5.63	889,931.78
Gaming contract costs	1,552,549.09	4.26	1,560,000.00	4.36	(7,450.91)	5,940,235.56	4.84	5,143,100.00	4.83	797,135.56
Compensation & benefits	405,829.52	1.11	480,000.00	1.34	(74,170.48)	1,250,632.65	1.02	1,346,000.00	1.26	(95,367.35)
Marketing, advertising & promotions	494,348.98	1.36	574,000.00	1.61	(79,651.02)	1,612,788.58	1.32	1,658,000.00	1.56	(45,211.42)
General and administrative expenses	193,144.27	0.53	325,000.00	0.91	(131,855.73)	1,227,511.37	1.00	993,000.00	0.93	234,511.37
Services provided by other agencies	48,300.00	0.13	62,000.00	0.17	(13,700.00)	144,516.00	0.12	187,000.00	0.18	(42,484.00)
Legal and professional service	164.39	0.00	500.00	0.00	(335.61)	467.88	0.00	1,500.00	0.00	(1,032.12)
Depreciation	<u>8,730.61</u>	0.02	<u>10,000.00</u>	0.03	<u>(1,269.39)</u>	<u>25,435.63</u>	0.02	<u>31,000.00</u>	0.03	<u>(5,564.37)</u>
Total operating expenses	<u>30,180,717.24</u>	82.90	<u>29,338,500.00</u>	82.09	<u>842,217.24</u>	<u>99,646,682.64</u>	81.27	<u>87,740,240.00</u>	82.44	<u>11,906,442.64</u>
Operating income	6,225,013.90	17.10	6,402,500.00	17.91	(177,486.10)	22,964,904.54	18.73	18,691,760.00	17.56	4,273,144.54
Non-operating revenue:										
Interest income	<u>106,061.24</u>	0.29	<u>34,000.00</u>	0.10	<u>72,061.24</u>	<u>300,729.11</u>	0.25	<u>125,000.00</u>	0.12	<u>175,729.11</u>
Income before transfers	<u>\$ 6,331,075.14</u>	17.39	<u>\$ 6,436,500.00</u>	18.01	<u>\$ (105,424.86)</u>	<u>\$ 23,265,633.65</u>	18.98	<u>\$ 18,816,760.00</u>	17.68	<u>\$ 4,448,873.65</u>

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Net Proceeds Transfer to Ed Trust Computation
Modified Cash Basis
For Three Months Ended September 30, 2017

	Year to date																																																																																				
Operating revenues:																																																																																					
Instant ticket SETTLEMENTS	\$ 96,883,586.00																																																																																				
Online ticket sales	26,906,592.50																																																																																				
Retailer application, fidelity and service fees	218,534.53																																																																																				
Other revenue	<u>3,439.15</u>																																																																																				
 Total operating revenues	 <u>124,012,152.18</u>																																																																																				
 Operating expenses:																																																																																					
Instant game prizes SETTLEMENTS	68,928,097.00																																																																																				
Online game prizes	14,385,446.85																																																																																				
Retailer commissions	6,884,931.78																																																																																				
Gaming contract costs	5,940,235.56																																																																																				
Compensation and benefits	1,250,632.65																																																																																				
Marketing, advertising and promotions	1,612,788.58																																																																																				
General and administrative expenses	1,227,511.37																																																																																				
Services provided by ADHE	110,666.00																																																																																				
Services provided by Legislative Audit Agency	33,850.00																																																																																				
Legal and professional services	467.88																																																																																				
Current year Capital Asset cost	<u>36,296.55</u>																																																																																				
Total operating expenses	<u>100,410,924.22</u>																																																																																				
 Change in net proceeds from operations	 23,601,227.96																																																																																				
 Nonoperating revenue (expense):																																																																																					
Interest Income	300,729.11																																																																																				
Other Non-Operating Income	0.00																																																																																				
EDUCATION TRUST FUNDING-Current Year	(15,574,504.53)																																																																																				
Less Act 1180 Unclaimed Prizes	(1,712,306.84)																																																																																				
Less Current year Fidelity Reserve Fees	(7,436.76) restricted reserves																																																																																				
Less Current year Bond Reserve Fees	(73,200.00) restricted reserves																																																																																				
Less Current year MUSL Reserves (additions) / reductions	146,481.99 see 23-115-103(17) and (19)(A)&(B)																																																																																				
Add OPEB expense in Comp and Benefits	<u>74,343.00</u>																																																																																				
 NET PROCEEDS EARNED-Current Month	 <u>\$ 6,755,333.93</u>																																																																																				
Totals	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;"></th> <th style="width: 33%; text-align: right;">Transfer</th> <th style="width: 33%; text-align: right;">Interest</th> <th style="width: 33%; text-align: right;">Total</th> </tr> <tr> <th></th> <th style="text-align: right;">\$</th> <th style="text-align: right;">\$</th> <th style="text-align: right;">\$</th> </tr> </thead> <tbody> <tr> <td>July 2016 funding - 8/15/16</td> <td style="text-align: right;">\$ 8,702,788.19</td> <td style="text-align: right;">\$ 11,598.20</td> <td style="text-align: right;">\$ 8,714,386.39</td> </tr> <tr> <td>August 2016 funding - 9/15/16</td> <td style="text-align: right;">\$ 5,480,243.59</td> <td style="text-align: right;">\$ 18,471.27</td> <td style="text-align: right;">\$ 5,498,714.86</td> </tr> <tr> <td>Transfer to ADHE 9/9/16</td> <td style="text-align: right;">\$ (36,000,000.00)</td> <td></td> <td style="text-align: right;">\$ (36,000,000.00)</td> </tr> <tr> <td>September 2016 funding - 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Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Unclaimed Prizes
September 30, 2017

	Monthly	Year to Date
Reserve Balance July 1, 2016		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 91,576.92	1,712,306.84
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	\$ 91,576.92	1,712,306.84
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
 Reserve Balance September 30, 2017		 \$2,712,306.84

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY**

**OFFICE OF THE ARKANSAS LOTTERY MINORITY AND FEMALE OWNED DIVERSITY COMPLIANCE REPORT
September 1 through September 30, 2017**

Vendors	Goods or Services	Diversity Classification	September 2017	FY 2018 Total
Goddess Products	Office Furniture/Supplies	CMBE	\$454.27	\$2,323.29
Trivia Marketing	Advertising/Public Relations	WBE	\$7,248.50	\$7,248.50
Totals			\$7,702.77	\$9,571.79

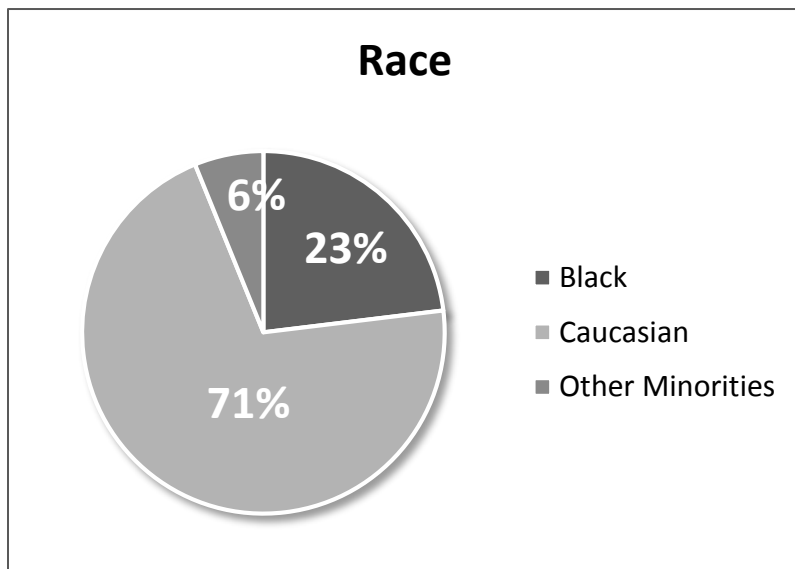
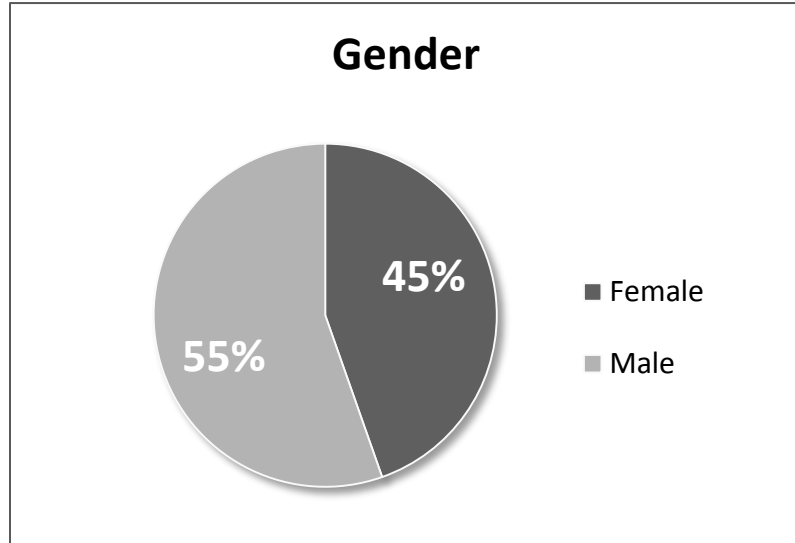
**INTRALOT MINORITY AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
September 1 through September 30, 2017**

Vendors	Goods or Services	Diversity Classification	September 2017	FY 2018 Total
J Kelly Referrals and Information Services	Call Center/Information Services	CMBE	\$8,462.00	\$29,617.00
Totals			\$8,462.00	\$29,617.00

**SCIENTIFIC GAMES MINORITY AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
September 1 through September 30, 2017**

Vendors	Goods or Services	Diversity Classification	September 2017	FY 2018 Total
Expedited Transportation Services	Transportation Services	DBE	\$6,793.23	\$9,513.65
Ingage, LLC	Fulfillment Services and Prizes	WBE	\$33,974.98	\$128,512.63
Mr. Klean's Carpet and Janitorial Service	Janitorial Services	MBE	\$396.00	\$1,188.00
Totals			\$41,164.21	\$139,214.28

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



Total Number of Employees as of September 30, 2017: 65

Gender:

Females – 29
Males – 36

Race:

Black – 15
Caucasian – 46
Other – 4

Female -- 7	Male -- 8
Female -- 20	Male -- 26
Female -- 2	Male -- 2

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

The Office of Arkansas Lottery Internal Audit position was vacated on June 30, 2017 and a replacement is not scheduled to start until October 23, 2017; therefore, no internal audit reports were issued in the month of September, 2017.

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

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

There were no new Fast Play games that started sales in September, 2017.