



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>

March 11, 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 February 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,

Eric Hagler
Director

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



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March 11, 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 February 2024. The report contains the following:

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Eric Hagler
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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
February 29, 2024

ASSETS

Current assets:	
Cash and cash equivalents	\$ 8,489,431.68
Restricted assets:	
Cash and cash equivalents	270,564,735.93
Accounts receivable	15,868,968.73
Prepaid items	185,472.90
Total current assets	<u>295,108,609.24</u>
Non-current assets:	
Restricted assets:	
Cash and cash equivalents	20,591,260.77
Deposits with Multi-State Lottery Association	2,007,529.28
Capital assets, net	976,944.75
Total non-current assets	<u>23,575,734.80</u>
Total assets	<u>318,684,344.04</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>\$ 321,204,437.24</u>

LIABILITIES

Current liabilities:	
Accounts payable	\$ 8,578.26
Prizes payable	27,590,327.77
Accrued and other liabilities	5,657,028.31
Due to other funds of the State	785,378.28
Due to Lottery Scholarship Trust Account	261,553,551.25
Lease Liability	270,765.08
Compensated absences	407,425.88
OPEB Obligation	99,509.08
Unearned revenue	404,408.32
Total current liabilities	<u>296,776,972.23</u>
Long-Term liabilities:	
Net other post employment benefits	2,540,941.25
Net pension liability	4,990,011.00
Lease Liability	433,496.81
Total long-term liabilities	<u>7,964,449.06</u>
Total liabilities	<u>304,741,421.29</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>306,184,339.51</u>

NET POSITION

Net position:	
Net investment in capital assets	543,447.94
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer bond reserve	586,360.77
Deposits with Multi-State Lottery Association	2,007,529.28
Unclaimed prizes reserve	9,011,184.68
Unrestricted (deficit)	<u>(17,128,424.94)</u>
Total net position	<u>15,020,097.73</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 321,204,437.24</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 Eight Months Ended February 29, 2024**

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 39,634,792.00	\$ 314,459,444.00
Online ticket sales	9,365,001.50	90,591,770.00
Retailer application, fidelity, bond and service fees	48,491.14	452,629.56
Other revenue	0.00	(1,522.76)
	<u>49,048,284.64</u>	<u>405,502,320.80</u>
Operating expenses:		
Instant game prizes	28,295,155.86	227,957,373.16
Online game prizes	5,128,900.46	48,142,779.15
Retailer commissions	2,814,986.00	22,875,817.02
Gaming contract costs	2,411,393.67	19,861,175.15
Compensation and benefits	488,253.80	3,894,372.20
Marketing, advertising and promotions	522,160.94	4,155,044.16
General and administrative expenses	88,395.38	727,616.88
Services provided by Arkansas Department of Education - Division of Higher Education	100,000.00	800,000.00
Services provided by Arkansas Legislative Audit	13,400.00	107,200.00
Amortization - GASB 87 Leases	22,652.64	181,221.18
Depreciation	33,806.33	275,299.54
	<u>39,919,105.08</u>	<u>328,977,898.44</u>
Total operating expenses		
Operating income (1)	9,129,179.56	76,524,422.36
Non-operating revenue:		
Interest income	1,084,466.21	6,856,446.85
Other income/expense	(948.14)	(8,188.36)
	<u>10,212,697.63</u>	<u>83,372,680.85</u>
Income before transfers		
Transfers to: Lottery Scholarship Trust Account (2)	(7,033,167.34)	(75,642,585.99)
	<u>\$ 3,179,530.29</u>	<u>7,730,094.86</u>
Change in net position		
Total net position - beginning		7,290,002.87
Total net position - ending		<u>\$ 15,020,097.73</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 Eight Months Ended February 29, 2024

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating revenues:										
Instant games	\$ 39,634,792.00	80.81	\$ 37,500,000.00	82.69	\$ 2,134,792.00	\$ 314,459,444.00	77.55	\$ 307,500,000.00	82.74	\$ 6,959,444.00
Online games	9,365,001.50	19.09	7,803,000.00	17.21	1,562,001.50	90,591,770.00	22.34	63,692,000.00	17.14	26,899,770.00
Retailer fees	48,491.14	0.10	45,000.00	0.10	3,491.14	452,629.56	0.11	437,000.00	0.12	15,629.56
Other revenue	-	-	200.00	0.00	(200.00)	(1,522.76)	(0.00)	1,300.00	0.00	(2,822.76)
				0.00%						
Total operating revenues	49,048,284.64	100.00	45,348,200.00	100.00	3,700,084.64	405,502,320.80	100.00	371,630,300.00	100.00	33,872,020.80
Operating expenses:										
Instant game prizes	28,295,155.86	57.69	27,126,583.00	59.82	1,168,572.86	227,957,373.16	56.22	222,548,664.00	59.88	5,408,709.16
Online game prizes	5,128,900.46	10.46	4,366,417.00	9.63	762,483.46	48,142,779.15	11.87	34,965,336.00	9.41	13,177,443.15
Retailer commissions	2,814,986.00	5.74	2,562,000.00	5.65	252,986.00	22,875,817.02	5.64	20,997,000.00	5.65	1,878,817.02
Gaming contract costs	2,411,393.67	4.92	2,267,000.00	5.00	144,393.67	19,861,175.15	4.90	18,581,000.00	5.00	1,280,175.15
Compensation & benefits	488,253.80	1.00	485,000.00	1.07	3,253.80	3,894,372.20	0.96	4,015,000.00	1.08	(120,627.80)
Marketing, advertising & promotions	522,160.94	1.06	542,000.00	1.20	(19,839.06)	4,155,044.16	1.02	4,332,000.00	1.17	(176,955.84)
General and administrative expenses	88,395.38	0.18	121,000.00	0.27	(32,604.62)	727,616.88	0.18	962,000.00	0.26	(234,383.12)
Services provided by other agencies	113,400.00	0.23	106,000.00	0.23	7,400.00	907,200.00	0.22	848,000.00	0.23	59,200.00
Amortization - GASB 87 Leases	22,652.64	0.05	-	-	22,652.64	181,221.18	0.04	-	0.00	181,221.18
Depreciation	33,806.33	0.07	58,000.00	0.13	(24,193.67)	275,299.54	0.07	468,000.00	0.13	(192,700.46)
Total operating expenses	39,919,105.08	81.39	37,634,000.00	82.99	2,285,105.08	328,977,898.44	81.13	307,717,000.00	82.80	21,260,898.44
Operating income	9,129,179.56	18.61	7,714,200.00	17.01	1,414,979.56	76,524,422.36	18.87	63,913,300.00	17.20	12,611,122.36
Non-operating revenue:										
Interest income	1,084,466.21	2.21	250,000.00	0.55	834,466.21	6,856,446.85	1.69	1,939,000.00	0.52	4,917,446.85
Interest expense	(948.14)	(0.00)	(1,500.00)	(0.00)	551.86	(8,188.36)	(0.00)	(12,000.00)	(0.00)	3,811.64
Income before transfers	\$ 10,212,697.63	20.82	\$ 7,962,700.00	17.56	\$ 2,249,997.63	\$ 83,372,680.85	20.56	\$ 65,840,300.00	17.72	\$ 17,532,380.85

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery

Statement of Revenues and Expenses - GAAP

For the Eight Months Ended February 29, 2024 Compared to February 28, 2023

	Current Month		Current Month		Variance	Year to Date		Year to Date		Variance
	February 29, 2024	% Sales	February 28, 2023	% Sales		February 29, 2024	% Sales	February 28, 2023	% Sales	
Operating revenues:										
Instant ticket sales	\$ 39,634,792.00	80.8%	\$ 37,288,388.00	80.9%	\$ 2,346,403.00	77.5%	\$ 307,828,266.00	76.0%	\$ 6,631,178.00	
Online ticket sales	9,365,001.50	19.1%	8,739,150.50	19.0%	625,851.00	22.3%	97,009,513.50	23.9%	(6,417,743.50)	
Retailer fees	48,491.14	0.1%	44,052.62	0.1%	4,438.52	0.1%	448,514.90	0.1%	4,114.66	
Other revenue	-	0.0%	15.00	0.0%	(15.00)	0.0%	29.78	0.0%	(1,552.54)	
Total operating revenues	49,048,284.64	100.0%	46,072,607.12	100.0%	2,975,677.52	100.0%	405,286,324.18	100.0%	215,996.62	
Operating expenses:										
Instant game prizes	28,295,155.86	57.7%	26,911,535.59	58.4%	1,383,620.27	56.2%	222,454,910.60	54.9%	5,502,462.56	
Online game prizes	5,128,900.46	10.5%	4,710,243.18	10.2%	418,657.28	11.9%	51,716,270.11	12.8%	(3,573,490.96)	
Retailer commissions	2,814,986.00	5.7%	2,653,819.50	5.8%	161,166.50	5.6%	22,799,916.48	5.6%	75,900.54	
Gaming contract costs	2,411,393.67	4.9%	2,348,117.87	5.1%	63,275.80	4.9%	19,695,927.80	4.9%	165,247.35	
Compensation and benefits	488,253.80	1.0%	445,767.48	1.0%	42,486.32	1.0%	3,821,053.12	0.9%	73,319.08	
Marketing, advertising and promotions	522,160.94	1.1%	559,936.34	1.2%	(36,775.40)	1.0%	5,106,244.10	1.3%	(951,199.94)	
General and administrative expenses	88,395.38	0.2%	190,511.43	0.4%	(102,116.05)	0.2%	1,965,037.17	0.5%	(1,237,420.29)	
Services provided by ADE - Division of Higher Education	100,000.00	0.2%	125,200.00	0.3%	(25,200.00)	0.2%	800,000.00	0.2%	(120,700.00)	
Services provided by Legislative Audit Agency	13,400.00	0.0%	13,200.00	0.0%	200.00	0.0%	105,600.00	0.0%	1,600.00	
Amortization - GASB 87 Leases	22,652.64	0.0%	22,652.64	0.0%	-	0.0%	181,221.16	0.0%	0.02	
Depreciation	33,806.33	0.1%	35,725.00	0.1%	(1,918.67)	0.1%	275,299.54	0.1%	(10,749.87)	
Total operating expenses	39,919,105.08	81.4%	38,015,709.03	82.5%	1,903,396.05	81.1%	329,052,929.95	81.2%	(75,031.51)	
Operating income	9,129,179.56	18.6%	8,056,898.09	17.5%	1,072,281.47	18.9%	76,233,394.23	18.8%	291,028.13	
Nonoperating revenue:										
Interest income	1,084,466.21	2.2%	199,210.12	0.4%	885,256.09	1.7%	1,623,889.21	0.4%	5,232,557.64	
Other Non Operating Income	(948.14)	-0.2%	(1,307.04)	-0.3%	358.90	-0.2%	(8,188.36)	-0.3%	3,083.47	
Income before transfers	\$ 10,212,697.63	20.8%	\$ 8,254,801.17	17.9%	\$ 1,957,896.46	20.6%	\$ 77,846,011.61	19.2%	\$ 5,526,669.24	
Net Proceeds (1)	\$ 7,033,167.34		\$ 7,097,563.76		\$ (64,396.42)		\$ 77,441,881.84		\$ 3,200,704.15	

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 Eight Months Ended February 29, 2024

	Year to date
Operating revenues:	
Instant ticket (Settlements)	\$ 313,748,261.00
Online ticket sales	90,591,770.00
Retailer application, fidelity and service fees	452,629.56
Other revenue	<u>(1,522.76)</u>
Total operating revenues	<u>404,791,137.80</u>
Operating expenses:	
Instant game prizes (Settlements)	227,372,895.00
Online game prizes	48,142,779.15
Retailer commissions	22,875,817.02
Gaming contract costs	19,861,175.15
Compensation and benefits	3,894,372.20
Marketing, advertising and promotions	4,155,044.16
General and administrative expenses	727,616.88
Services provided by Arkansas Department of Education - Division of Higher Education	800,000.00
Services provided by Legislative Audit Agency	107,200.00
Amortization - GASB 87 Leases	181,221.18
Current year capital asset cost	<u>30,505.10</u>
Total operating expenses	<u>328,148,625.84</u>
Change in net proceeds from operations	76,642,511.96
Non-operating revenue:	
Interest income	6,856,446.85
Other non-operating income	(8,188.36)
EDUCATION TRUST FUNDING-Current Year	(68,609,418.65)
Less Act 1180 Unclaimed Prizes	(8,011,184.68)
Less current year Bond Reserve Fees	(86,360.77) 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	73,360.99 see 23-115-103(17) and (19)(A)&(B)
Add OPEB expense in Comp and Benefits	<u>176,000.00</u>
NET PROCEEDS EARNED-Current Month	<u>\$ 7,033,167.34</u>
-Year to Date	<u>\$ 75,642,585.99</u>

Lottery Scholarship Trust Account	Transfer	Interest	Total
	\$ 249,709,704.96	\$ 11,843,846.29	\$ 261,553,551.25
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
June 2023 funding 7/15/23	\$ 15,027,163.61	\$ 185,573.05	\$ 15,212,736.66
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 9/28/233	\$ (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 funding 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

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						
April						
May						
June						
Sub Total	\$ 75,642,585.99	\$ 8,011,184.68	\$ 83,653,770.67	\$ 65,840,300.00		
Reserve GPW						
Total	<u>\$ 75,642,585.99</u>	<u>\$ 8,011,184.68</u>	<u>\$ 83,653,770.67</u>	<u>\$ 65,840,300.00</u>		<u>\$ 17,813,470.67</u>



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 February 29, 2024)
Beginning Balance	\$ 192,693,718	\$ 249,160,965
Net Proceeds	113,091,393	75,642,586 (1)
Transfers to ADHE:	FY23	FY24
Fall Academic Challenge Scholarships	9/23/22	7/14/23
Fall Academic Challenge Scholarships	12/7/22	9/28/23
Concurrent and Workforce Scholarships	2/22/23	2/28/24
Spring Academic Challenge Scholarships	4/18/23	9/28/23
Concurrent Scholarships		
Workforce Scholarships		
	(62,400,000)	(750,000)
	(62,400,000)	(63,250,000)
Refund of Unused Scholarship Proceeds Requested:	FY23	FY24
	8/1/2023	5,775,854
Ending Balance	\$ 249,160,965	\$ 261,553,551

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
February 29, 2024

	Monthly	Year to Date
Reserve Balance July 1, 2023		\$1,000,000.00
1. Unclaimed lottery prize money:	\$1,168,282.16	8,011,184.68
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	1,168,282.16	8,011,184.68
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		0
Reserve Balance February 29, 2024		\$9,011,184.68



SECTION 5

RETAILER LOSSES



RETAILER LOSSES
(February 2024)

RETAILER	LOSS
NONE	\$00.00
TOTAL RETAILERS = 2,001 (a/o 01-31-2024)	TOTAL LOSS = \$00.00



SECTION 6

DEBT SET-OFF / TAXES WITHHELD



Arkansas
Scholarship Lottery

DEBT SET-OFF / INCOME TAXES WITHHELD
(February 2024)

Arkansas Debt Set-Off	Feb-24	Total Since Inception
Department of Finance and Administration	\$ 24,373	\$ 1,834,893
Office of Child Support Enforcement	\$ -	\$ 714,480
Total Debt Set-Off	\$ 24,373	\$ 2,549,373

Income Taxes Withheld	Feb-24	Total Since Inception
Federal	\$ 1,017,970	\$ 138,363,680
State	\$ 186,616	\$ 36,990,493
Total Income Taxes Withheld	\$ 1,204,586	\$ 175,354,173



SECTION 7

SALES BY COUNTY

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
February 1 through February 29, 2024

COUNTY	CASH	CASH/B	FASTPLAY	INSTANT SETTLEMENTS	LOTTO	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
ARKANSAS	\$15,452.50	\$12,336.00	\$17,267.00	\$501,812.00	\$5,674.00	\$3,572.00	\$12,067.00	\$3,154.00	\$16,033.00	\$587,367.50
ASHLEY	\$14,772.00	\$19,139.50	\$9,604.00	\$199,712.00	\$2,332.00	\$2,614.00	\$6,286.00	\$1,390.00	\$10,955.00	\$266,804.50
BAXTER	\$6,176.00	\$2,232.50	\$15,818.00	\$458,960.00	\$5,886.00	\$6,518.00	\$23,230.00	\$7,425.00	\$29,315.00	\$555,560.50
BENTON	\$7,623.50	\$3,179.50	\$25,753.00	\$1,401,625.00	\$32,670.00	\$23,220.00	\$122,803.00	\$19,879.00	\$148,131.00	\$1,784,884.00
BOONE	\$527.50	\$582.50	\$21,209.00	\$371,619.00	\$3,820.00	\$2,018.00	\$16,858.00	\$3,099.00	\$21,390.00	\$441,123.00
BRADLEY	\$3,227.50	\$6,293.00	\$3,284.00	\$171,970.00	\$1,878.00	\$784.00	\$3,991.00	\$632.00	\$5,701.00	\$197,940.50
CALHOUN	\$1,899.00	\$644.50	\$2,377.00	\$51,600.00	\$490.00	\$492.00	\$1,357.00	\$416.00	\$1,848.00	\$61,123.50
CARROLL	\$919.00	\$876.50	\$20,023.00	\$271,362.00	\$3,222.00	\$2,472.00	\$11,548.00	\$3,211.00	\$15,119.00	\$328,352.50
CHICOT	\$7,229.00	\$2,417.50	\$6,785.00	\$170,925.00	\$2,612.00	\$2,184.00	\$8,835.00	\$2,110.00	\$11,630.00	\$214,727.50
CLARK	\$4,314.00	\$1,186.00	\$26,511.00	\$375,845.00	\$5,192.00	\$3,364.00	\$10,883.00	\$2,958.00	\$14,926.00	\$445,179.00
CLAY	\$787.50	\$114.50	\$6,613.00	\$117,188.00	\$1,048.00	\$1,764.00	\$3,062.00	\$1,096.00	\$4,897.00	\$136,570.00
CLEBURNE	\$1,403.50	\$2,071.00	\$24,225.00	\$282,408.00	\$8,422.00	\$5,080.00	\$17,016.00	\$5,883.00	\$23,622.00	\$370,130.50
CLEVELAND	\$410.00	\$139.50	\$1,779.00	\$40,200.00	\$684.00	\$1,482.00	\$1,495.00	\$393.00	\$1,956.00	\$48,538.50
COLUMBIA	\$15,450.50	\$7,450.50	\$14,457.00	\$417,735.00	\$3,356.00	\$3,460.00	\$7,734.00	\$2,234.00	\$11,481.00	\$483,358.00
CONWAY	\$11,493.00	\$2,782.50	\$17,642.00	\$480,441.00	\$8,466.00	\$3,798.00	\$13,831.00	\$5,462.00	\$20,001.00	\$563,916.50
CRAIGHEAD	\$15,193.00	\$14,964.50	\$46,271.00	\$1,877,943.00	\$16,330.00	\$12,884.00	\$49,761.00	\$10,530.00	\$64,995.00	\$2,108,871.50
CRAWFORD	\$3,366.00	\$906.50	\$21,580.00	\$404,727.00	\$10,870.00	\$6,080.00	\$24,214.00	\$6,848.00	\$32,292.00	\$510,883.50
CRITTENDEN	\$40,466.00	\$27,221.50	\$24,723.00	\$843,380.00	\$6,442.00	\$9,222.00	\$38,546.00	\$8,256.00	\$56,884.00	\$1,055,140.50
CROSS	\$6,181.00	\$2,613.00	\$5,989.00	\$295,399.00	\$2,336.00	\$1,714.00	\$6,750.00	\$1,073.00	\$9,414.00	\$331,469.00
DALLAS	\$3,923.50	\$1,447.00	\$4,710.00	\$205,661.00	\$2,242.00	\$654.00	\$4,192.00	\$815.00	\$5,982.00	\$229,626.50
DESHA	\$4,164.50	\$2,244.50	\$6,340.00	\$201,706.00	\$2,376.00	\$908.00	\$6,256.00	\$1,709.00	\$9,394.00	\$235,098.00
DREW	\$4,648.00	\$3,143.50	\$11,474.00	\$385,447.00	\$4,324.00	\$3,026.00	\$9,336.00	\$2,426.00	\$13,180.00	\$437,024.50
FAULKNER	\$11,698.50	\$5,903.00	\$46,528.00	\$1,345,303.00	\$32,412.00	\$16,230.00	\$59,981.00	\$17,274.00	\$78,965.00	\$1,614,294.50
FRANKLIN	\$603.50	\$106.00	\$6,890.00	\$197,988.00	\$4,182.00	\$1,698.00	\$9,545.00	\$2,045.00	\$11,879.00	\$237,377.50
FULTON	\$53.00	\$439.00	\$6,890.00	\$59,648.00	\$836.00	\$678.00	\$2,183.00	\$632.00	\$3,214.00	\$74,573.00
GARLAND	\$15,085.00	\$5,849.50	\$54,782.00	\$1,267,746.00	\$34,090.00	\$18,402.00	\$72,588.00	\$27,419.00	\$93,824.00	\$1,589,785.50
GRANT	\$1,120.00	\$940.00	\$6,794.00	\$213,239.00	\$4,392.00	\$2,454.00	\$8,533.00	\$2,372.00	\$11,121.00	\$250,965.00
GREENE	\$814.50	\$532.50	\$24,074.00	\$740,421.00	\$5,426.00	\$4,262.00	\$18,658.00	\$4,020.00	\$25,434.00	\$823,642.00
HEMPSTEAD	\$75,508.00	\$27,397.50	\$13,045.00	\$403,300.00	\$2,528.00	\$3,574.00	\$9,072.00	\$1,914.00	\$10,650.00	\$546,988.50
HOT SPRING	\$2,745.50	\$1,281.00	\$15,728.00	\$359,571.00	\$6,692.00	\$4,460.00	\$13,376.00	\$3,478.00	\$18,520.00	\$425,651.50
HOWARD	\$8,103.00	\$13,341.50	\$10,236.00	\$252,339.00	\$1,616.00	\$2,596.00	\$5,741.00	\$1,622.00	\$7,644.00	\$353,238.50
INDEPENDENCE	\$4,068.00	\$2,137.50	\$64,120.00	\$610,612.00	\$6,876.00	\$3,694.00	\$17,710.00	\$4,089.00	\$23,397.00	\$736,703.50
IZARD	\$33.50	\$5.00	\$8,860.00	\$88,698.00	\$1,350.00	\$486.00	\$4,280.00	\$1,634.00	\$5,339.00	\$110,685.50
JACKSON	\$24,150.50	\$13,922.50	\$18,781.00	\$324,910.00	\$3,056.00	\$1,534.00	\$7,493.00	\$2,335.00	\$10,214.00	\$406,396.00
JEFFERSON	\$63,534.00	\$42,837.00	\$52,092.00	\$1,423,242.00	\$24,888.00	\$22,520.00	\$50,492.00	\$16,554.00	\$71,917.00	\$1,768,076.00
JOHNSON	\$728.50	\$867.00	\$4,692.00	\$278,354.00	\$3,650.00	\$2,348.00	\$10,552.00	\$2,745.00	\$14,761.00	\$318,697.50
LAFAYETTE	\$11,077.00	\$5,030.50	\$1,815.00	\$76,700.00	\$708.00	\$932.00	\$2,616.00	\$632.00	\$3,506.00	\$103,016.50
LAWRENCE	\$769.00	\$101.50	\$13,791.00	\$265,012.00	\$1,908.00	\$2,602.00	\$7,125.00	\$1,474.00	\$9,809.00	\$302,591.50
LEE	\$2,868.00	\$12,427.50	\$2,745.00	\$72,800.00	\$426.00	\$1,956.00	\$2,977.00	\$267.00	\$3,293.00	\$99,759.50
LINCOLN	\$733.50	\$337.50	\$4,936.00	\$97,636.00	\$2,038.00	\$1,782.00	\$3,161.00	\$1,186.00	\$4,532.00	\$116,342.00
LITTLE RIVER	\$7,396.00	\$4,073.50	\$15,641.00	\$147,630.00	\$1,416.00	\$1,452.00	\$5,325.00	\$1,217.00	\$7,748.00	\$191,898.50
LOGAN	\$963.50	\$24.50	\$16,974.00	\$246,487.00	\$4,016.00	\$1,978.00	\$8,409.00	\$2,276.00	\$12,550.00	\$293,278.00
LONOKE	\$14,177.00	\$8,908.00	\$50,587.00	\$1,121,037.00	\$24,082.00	\$10,596.00	\$46,042.00	\$14,326.00	\$58,579.00	\$1,348,334.00
MADISON	\$60.00	\$78.00	\$4,728.00	\$96,670.00	\$1,750.00	\$1,482.00	\$6,612.00	\$736.00	\$8,659.00	\$120,775.00
MARION	\$5,759.00	\$2,933.50	\$16,191.00	\$243,708.00	\$2,870.00	\$2,570.00	\$9,292.00	\$3,596.00	\$11,659.00	\$298,578.50
MILLER	\$43,222.50	\$17,085.00	\$16,813.00	\$523,762.00	\$5,066.00	\$6,652.00	\$17,394.00	\$3,869.00	\$21,486.00	\$655,349.50
MISSISSIPPI	\$54,700.50	\$26,643.00	\$13,806.00	\$888,670.00	\$3,372.00	\$3,972.00	\$16,804.00	\$2,770.00	\$24,051.00	\$1,034,788.50

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
February 1 through February 29, 2024

COUNTY	CASH3	CASH4	FAST PLAY	INSTANT SETTLEMENTS	LOTTO	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
MONROE	\$16,180.00	\$9,090.00	\$27,571.00	\$199,694.00	\$2,214.00	\$1,588.00	\$7,367.00	\$1,555.00	\$9,566.00	\$274,825.00
MONTGOMERY	\$31.00	\$1.00	\$2,999.00	\$36,399.00	\$1,118.00	\$262.00	\$2,618.00	\$376.00	\$3,483.00	\$47,287.00
NEVADA	\$4,241.50	\$2,819.00	\$2,010.00	\$177,534.00	\$1,514.00	\$1,152.00	\$4,100.00	\$927.00	\$5,415.00	\$199,712.50
NEWTON	\$495.50	\$65.00	\$4,306.00	\$47,411.00	\$618.00	\$402.00	\$2,236.00	\$627.00	\$2,791.00	\$8,951.50
OUACHITA	\$18,048.00	\$10,039.00	\$20,335.00	\$670,336.00	\$6,374.00	\$1,148.00	\$12,427.00	\$3,383.00	\$17,924.00	\$763,014.00
PERRY	\$741.00	\$755.00	\$3,981.00	\$121,666.00	\$2,754.00	\$1,284.00	\$5,687.00	\$1,584.00	\$7,301.00	\$145,753.00
PHILLIPS	\$17,625.00	\$6,752.00	\$3,384.00	\$181,851.00	\$1,622.00	\$2,230.00	\$8,392.00	\$2,516.00	\$11,650.00	\$236,022.00
PIKE	\$238.50	\$193.00	\$4,042.00	\$121,726.00	\$2,744.00	\$1,360.00	\$4,766.00	\$1,488.00	\$6,450.00	\$143,007.50
POINSETT	\$4,442.00	\$1,606.00	\$26,650.00	\$506,062.00	\$2,740.00	\$1,762.00	\$10,295.00	\$1,835.00	\$14,102.00	\$569,494.00
POLK	\$1,622.50	\$209.00	\$18,163.00	\$162,963.00	\$3,686.00	\$2,606.00	\$9,259.00	\$3,144.00	\$11,999.00	\$213,651.50
POPE	\$4,646.00	\$1,351.50	\$34,550.00	\$875,049.00	\$16,882.00	\$9,952.00	\$36,717.00	\$9,417.00	\$46,618.00	\$1,035,182.50
PRAIRIE	\$1,603.50	\$655.50	\$5,376.00	\$126,851.00	\$1,858.00	\$984.00	\$4,037.00	\$736.00	\$5,755.00	\$147,856.00
PULASKI	\$197,683.50	\$151,221.00	\$304,392.00	\$7,015,039.00	\$284,540.00	\$291,016.00	\$609,337.00	\$202,075.00	\$704,551.00	\$9,759,854.50
RANDOLPH	\$220.00	\$65.00	\$9,595.00	\$200,557.00	\$2,320.00	\$2,420.00	\$8,293.00	\$1,450.00	\$10,721.00	\$235,641.00
SAINT FRANCIS	\$33,690.00	\$11,245.50	\$8,860.00	\$342,306.00	\$2,938.00	\$3,008.00	\$12,400.00	\$2,186.00	\$18,770.00	\$435,403.50
SALINE	\$36,001.50	\$8,434.00	\$64,353.00	\$1,167,420.00	\$5,334.00	\$19,682.00	\$56,400.00	\$19,768.00	\$77,719.00	\$1,485,111.50
SCOTT	\$99.00	\$76.00	\$2,073.00	\$103,603.00	\$1,766.00	\$1,054.00	\$5,473.00	\$719.00	\$7,087.00	\$121,950.00
SEARCY	\$48.00	\$114.50	\$4,547.00	\$99,773.00	\$1,242.00	\$346.00	\$3,636.00	\$828.00	\$4,763.00	\$115,297.50
SEBASTIAN	\$14,832.00	\$3,840.00	\$32,244.00	\$825,820.00	\$24,160.00	\$16,676.00	\$71,624.00	\$19,226.00	\$97,304.00	\$1,105,726.00
SEVIER	\$6,005.50	\$304.00	\$4,219.00	\$193,472.00	\$1,818.00	\$862.00	\$6,669.00	\$1,364.00	\$8,180.00	\$222,893.50
SHARP	\$1,144.50	\$504.50	\$21,975.00	\$349,692.00	\$3,946.00	\$3,634.00	\$14,520.00	\$4,551.00	\$18,302.00	\$418,269.00
STONE	\$583.00	\$135.00	\$6,102.00	\$88,892.00	\$2,586.00	\$1,306.00	\$4,534.00	\$2,216.00	\$6,070.00	\$112,424.00
UNION	\$86,545.00	\$47,791.00	\$41,321.00	\$859,584.00	\$6,262.00	\$7,266.00	\$18,353.00	\$5,634.00	\$27,046.00	\$1,100,002.00
VAN BUREN	\$1,139.00	\$921.00	\$11,678.00	\$215,774.00	\$4,512.00	\$2,304.00	\$10,281.00	\$3,444.00	\$13,882.00	\$263,935.00
WASHINGTON	\$21,434.50	\$9,504.50	\$43,839.00	\$1,517,364.00	\$37,290.00	\$27,494.00	\$107,899.00	\$20,876.00	\$137,103.00	\$1,922,804.00
WHITE	\$14,831.00	\$5,683.00	\$74,928.00	\$969,473.00	\$18,640.00	\$7,446.00	\$35,360.00	\$10,563.00	\$46,864.00	\$1,183,788.00
WOODRUFF	\$1,908.50	\$1,332.50	\$4,703.00	\$149,404.00	\$1,624.00	\$1,050.00	\$4,286.00	\$616.00	\$5,475.00	\$170,399.00
YELL	\$254.00	\$132.00	\$6,650.00	\$251,591.00	\$3,686.00	\$1,826.00	\$8,136.00	\$2,587.00	\$11,012.00	\$285,874.00

GRAND TOTALS	*Cash 3	*Cash 4	*Fast Play	*Instant Settlements	*Lotto	*Lucky for Life	*Mega Millions	*Natural State Jackpot	*Powerball	*Total Sales
	\$1,055,131.50	\$582,027.00	\$1,623,240.00	\$38,450,454.00	\$787,106.00	\$633,340.00	\$1,901,134.00	\$537,572.00	\$2,419,800.00	\$47,989,804.50



SECTION 8

TOTAL NUMBER OF RETAILERS

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

February 2024

Active	1,896
Renewal	107
Total	2,003

Monthly Highlights

- ▶ 4,778,332 Total transactions processed through the Arkansas Scholarship Lottery System in February
- ▶ 739 service tickets resolved by Field Service and the Call Center for the month of February
- ▶ 817 Preventative Maintenance Actions completed by Field Service Technicians for the month of February

Photon	2,075
TVM	124
DreamTouch Smart	84
Total	2,283



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SECTION 9

ARKANSAS DEPARTMENT OF
HIGHER EDUCATION



Division of Higher Education

101 E. Capital Ave., Suite 300 • Little Rock, Arkansas • 72201-3818 • (501) 371-2000 • Fax (501) 371-2001

Jacob Oliva
Secretary

Ken Warden, Ed.D.
Commissioner

February 21, 2024

Mr. Eric Hagler, Director
Arkansas Scholarship Lottery
P.O. Box 3238
Little Rock, AR 72203-3238

Dear Mr. Hagler:

I hereby certify to the Office of the Arkansas Lottery that an estimated thirty million (\$30,000,000) in net lottery proceeds will be required to fund the first disbursement of scholarships awarded under A.C.A. § 6-85-201 et. seq. for the spring 2024 semester.

Therefore, I am requesting the amount of thirty million (\$30,000,000) be transferred to the Arkansas Division of Higher Education's commercial bank account with First Security Bank by Friday, March 1, 2024. We will monitor closely and advise if additional requests for net proceeds are needed based on the submissions of the universities and colleges enrollment verification rosters.

If you require additional information or have questions, please contact me at 501.371.2026.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nicholas Fuller'.

Nicholas Fuller
Assistant Commissioner for Finance

Jerold
Fetzer

Digitally signed by
Jerold Fetzer
Date:
2024.02.21
13:34:56 -06'00'

Eric
Hagler

Digitally signed
by Eric Hagler
Date:
2024.02.21
13:41:54 -06'00'



SECTION 10

INSTANT TICKET GAME RELEASES

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

Sales for the following instant games began February 27, 2024. No ending dates have been determined for these games.

\$1 10X^{®1} the Win

\$2 20X the Win

\$5 50X the Win

\$10 100X the Win

\$20 200X the Win

¹10X[®] is a licensed property game. There are no additional costs for this game.

Sales for the following Fast Play games began February 5, 2024. No ending dates have been determined for these games.

\$1 Beat the Dealer

\$2 Lucky Clover



SECTION 11

CONTRACTS

**UNIVERSITY OF CENTRAL ARKANSAS
DEPARTMENT OF INTERCOLLEGIATE ATHLETICS
CORPORATE SPONSORSHIP AGREEMENT**

This Corporate Sponsorship Agreement (the "Agreement") will become effective when all parties have signed it, and the "Effective Date" shall be the date the Agreement is Signed by the last party (as indicated by the date stated under such party's signature block). This Agreement is by and between the **University of Central Arkansas** (hereinafter "University") and **Department of Finance and Administration Office of the Arkansas Lottery** (hereinafter "Sponsor", or "OAL");

WHEREAS, Sponsor desires to support the University's Department of Athletics, **NOW THEREFORE**, in consideration of the foregoing, the parties mutually agree as follows:

1. GRANT OF RIGHTS TO SPONSOR:

A. Signage

- a. Estes Stadium Video Scoreboard Signage: Sponsor shall receive one (1) Pre-Game Loop Rotation on the 1,944 sq. ft. HD digital scoreboard during all home football games at Estes Stadium. This 40' by 50' electronic signage shall have 5+ minutes of quality impressions a game and rotate every ten (10) seconds.
- b. Estes Stadium Video Scoreboard Signage: Sponsor shall receive one (1) Standard Position on the 1,944 sq. ft. HD digital scoreboard at Estes Stadium. This 10' by 10' electronic signage shall have 20+ minutes of quality impressions a game and rotate every thirty (30) seconds. (Minutes are calculated on an average of 300 minutes per event.)
- c. Farris Center Video Scoreboard Signage: Sponsor shall receive one (1) Pre-Game Loop Rotation on the 510 sq. ft. HD digital scoreboard at Farris Center. This 30' by 17' electronic signage shall have 6+ minutes of quality impressions a game (160+ a season).

B. Promotions

- a. Social Media Promotion: Sponsor shall receive a social media promotion during the Central Arkansas school year to promote company services and products:
 - i. "Bears Win" Social Graphic: Sponsor shall receive recognition on all winning graphics during the football season on UCA Athletics' social media accounts (Facebook, Twitter, & Instagram) with the hashtag #ThisIsWinning.

- b. Time Out Promotion: Sponsor shall receive an in-game time out promotion during the Central Arkansas home football season to promote company services and provide branded prizes to contest winners or participants.
 - i. Lucky Row: UCA Athletics shall promote the Lucky Row promotion at all home football games. Each fan who wins shall receive a Sponsor coupon. The contest shall be introduced through a public address announcement and videoboard graphic. *On average, 15-20 items are handed out per game.
- c. Basketball Game Sponsor: Sponsor shall be the official game sponsor of one (1) mutually agreed upon men's and/or women's basketball home game in Farris Center. Sponsor shall receive special recognition in all single game marketing promotion and recognition through a series of public announcements, in-game contesting, promotional prize giveaways.

C. Hospitality

- a. Football Tailgating Space: Sponsor shall receive one (1) reserved tailgate spot in Bear Grounds Tailgate, at one (1) mutually agreed upon UCA home football games during the regular season. Bear Grounds Tailgate is located in the North Lot of Estes Stadium. Sponsor shall be able to distribute promotional items, food samples, and informational material to several thousand students and fans. Tables & chairs are provided by UCA Athletics.

D. Radio

- a. Game Broadcast Commercial: Sponsor shall receive two (2) :30-second commercial spots during all home and away football games broadcasted on 103.7 The Buzz and on UCASports.com.
- b. In-Game Feature: Sponsor shall receive one (1) in-game feature during the broadcast: THIS IS WINNING MOMENT OF THE GAME. Towards the end of each game, the broadcast team will reference an impactful moment of the game and recap the memory for the UCA Bear fans listening in.

E. Marks

- a. Sponsor may use UCA Athletics logos and marks in conjunction with all related advertising and marketing, subject to the prior written approval by the UCA Department of Athletics. Sponsor may reference Sponsor's endorsements in marketing and promotional programs as

follows:

- Proud Partner of the UCA (Sports Team), UCA Bears or UCA Athletics.
- Other endorsements mutually agreed.

2. GRANT OF RIGHTS TO UNIVERSITY:

OAL will pay \$8,211 cash during the 2024-25 contract year.

3. GRANT OF RIGHTS TO FOUNDATION:

The amounts listed in section five (5) are authorized to be transferred to the UCA Foundation/PCC.

4. TERM: This Agreement shall have a term of 1-year, commencing July 1, 2024 to June 30, 2025.

5. PAYMENT: In support of University's Department of Athletics, Sponsor agrees to provide the following contribution:

2024-2025 Cash Contribution: \$8,211

All payments shall be made payable to the University Foundation's "**Athletic Sponsorship Account**" which is housed in the University Foundation. The obligation of Sponsor to make sponsorship payments in accordance with the Agreement is in no way contingent upon the level of attendance at any athletic event, the opportunity for exposure, or any other factors, which indicate any degree of public exposure of Sponsor, teams, Athletic Department, or University.

6. SIGNAGE RIGHTS: Any and all signage of Sponsor that University agrees to display shall remain in the facility during the specific event for which Sponsor is a corporate sponsor.

7. APPROVAL OF UNIVERSITY: Any and all materials, including but not limited to programs, schedules and posters, proposed by Sponsor for use pursuant to this Agreement are subject to approval by University. University shall have the right to decline to utilize any and all materials that in its opinion is in violation of any statute, regulation or ordinance, or which University reasonably considers misleading, offensive, or in violation of any University contractual obligation. University shall not display a message which contains a comparative or qualitative description of Sponsor's product, price information, or any other indication of savings or value concerning Sponsor's product, any message that otherwise endorses Sponsor's product or induces one to purchase or use Sponsor's product, or any message that causes Sponsor's payment to not be treated as "qualified sponsorship payments" as that term is defined in Internal Revenue Code (IRS) Section 513(i) and related regulations. Any and all materials must be submitted by Sponsor to University in a

timely manner.

8. DEFAULT: Sponsor shall be in default in the event it fails to make any payment specified above, for more than thirty (30) days after such payment is due. In the event of such default, University reserves the right, at its option, to either (a) consider the entire balance of payments to be made hereunder immediately due and payable; or (2) after giving Sponsor fourteen (14) days notice, to cancel this Agreement and require immediate payment of any balance for the period during which this Agreement was in existence. The rights, powers, and remedies given to the parties by this Agreement shall be in addition to all rights, powers, and remedies granted to the parties by virtue of any statute or rule of law.

9. INDEMNIFICATION: Sponsor shall indemnify and hold harmless University, its Board of Trustees, officers, agents and employees from any and all loss, damage or liability that may be suffered or incurred by University, its officers, agents or employees caused by or arising out of the negligent acts or willful misconduct of Sponsor or Sponsor's invitees, or any liability for fraud or misrepresentation in connection with Sponsor's name and/or logo displayed pursuant to this Agreement.

10. CANCELLATION AND ASSIGNMENT: This Agreement is not subject to cancellation by Sponsor or University except as provided in Section 8 of this agreement. Sponsor may not assign its rights to others, without the express written consent of University. University reserves the right to cancel this Agreement by providing written notice no later than sixty (60) days prior to the conclusion of each year of the Agreement.

11. RULES VIOLATION: University has the right to terminate this Agreement immediately if, in University's reasonable discretion, Sponsor has violated NCAA rules or otherwise taken any action that jeopardizes the eligibility of University's programs or its student-athletes.

12. LOSS OR DAMAGE: University shall not be liable for any damage or loss to any of Sponsor's materials.

13. WARRANTY: University agrees to maintain in good condition copies, displays, signage, graphics, or other materials during the term of this Agreement.

14. BINDING EFFECT: This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

15. MODIFICATIONS: It is further mutually agreed that modifications to this Agreement must be in writing and mutually agreed to by authorized representatives for both parties.

16. RELATIONSHIP OF PARTIES: Nothing in this Agreement shall be construed as

a joint venture or partnership between the parties, and nothing in this Agreement shall permit or empower Sponsor to conduct business in the name of, or on account of, University, or to incur or assume any expense, debt, obligation, liability, tax or responsibility on behalf of, or in the name of University or to act on University's behalf or to bind University in any way whatsoever.

17. ENTIRETY OF AGREEMENT AND MODIFICATION: This Agreement constitutes the entire agreement between the parties and supersedes all prior negotiations and understandings, whether verbal or written. No waiver, modification or amendment of any provision of this Agreement shall be valid or effective unless it is in writing and signed by a duly authorized representative of the party against whom enforcement is sought.

18. GOVERNING LAW: This Agreement shall be governed by the laws of the State of Arkansas. Nothing in this Agreement shall be construed as waiving the sovereign immunity of the University.

19. RENEGOTIATION: The renegotiation period will run from January 1st through April 30th of the final contract year. If there is not a commitment in place for the following year/years the current elements can be included in other partners packages.

20. NOTICE: Any notice provided for in this Agreement shall be in writing and shall be deemed to have been given, delivered, or served when delivered personally to the party who is to receive such notice or when mailed by U.S. registered or certified mail, postage prepaid, to such party. Unless later changed by written notice to Sponsor, any notice to University shall be sent to:

Brad Teague, Director of Athletics
University of Central Arkansas
201 Donaghey Ave.
Conway, AR 72035

Unless later changed by written notice to University, any notice to Sponsor shall be sent to:

Ashley McNatt, Marketing & Advertising Director
124 W. Capitol Ave., Ste. 1400
Little Rock, AR 72201

P.O. Box 3238
Little Rock, AR 72203-3238

21. DISPUTES WITH OAL: In the event that the University claims that the OAL has failed to fulfill its contractual obligations, the Parties agree, as is mandated by Arkansas State Law, that any such claim is to be governed by Ark. Code Ann. §23-115-208 *et seq* which require such claims to be first presented to OAL and,

provided that there is not a satisfactory resolution of the claim or dispute with OAL, by way of appeal to the Arkansas State Claims Commission.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

UNIVERSITY OF CENTRAL ARKANSAS

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

BRAD TEAGUE

Eric Hagler

Digitally signed by Eric
Hagler
Date: 2024.02.16
14:21:09 -06'00'

Brad Teague
DIRECTOR OF ATHLETICS

J. Eric Hagler, Executive Director

02/16/24

DATE

DATE

Ashley
McNatt

Digitally signed by
Ashley McNatt
Date: 2024.02.20
09:05:26 -06'00'

Ashley McNatt, Marketing &
Advertising Director

DATE

RIDER

Any contract or agreement to which the University of Central Arkansas ("UCA") is a party shall be deemed to have the following provisions incorporated by reference:

1. "Notwithstanding any other provision of this agreement or contract, the University of Central Arkansas shall not be responsible or liable for any type of special or consequential damage to the other party, specifically including, but not limited to, lost profits or commissions, loss of goodwill, or any other damages of such nature."

2. "Notwithstanding any other provision of this agreement or contract, the University of Central Arkansas shall never indemnify or hold another party harmless from any damages, liability, claims, demands, causes of action or expenses. However, with respect to any loss, expense, damage, liability, claim or cause of action, either at law or in equity, for actual or alleged injuries to persons or property, arising out of any negligent act or omission by UCA, or its employees or agents, in the performance of this agreement, UCA agrees that:
 - a. it will cooperate with the other party to this agreement in the defense of any action or claim brought against the other party seeking damages or relief;
 - b. it will, in good faith, cooperate with the other party to this agreement should such other party present any claims or causes of action of the foregoing nature against UCA to the Arkansas State Claims Commission;
 - c. it will not take any action to frustrate or delay the prompt hearing on claims of the foregoing nature by the Arkansas State Claims Commission, and will make reasonable efforts to expedite any hearing thereon.

UCA reserves the right, however, to assert in good faith any and all defenses available to it in any proceedings before the Arkansas State Claims Commission or any other forum.

Nothing herein shall be interpreted or construed to waive the sovereign immunity of UCA."

3. "The University of Central Arkansas does not have any form of general liability insurance. It does have liability insurance coverage on vehicles, as well as certain professional liability coverage for clinical programs (and students assigned through those programs). Please contact the university department with responsibility for the program involved or the Office of General Counsel, if you have questions concerning insurance coverage."



SECTION 12

INTERNAL AUDITOR REPORTS



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>	2024-48F Marketing Promotional Inventory Audit	<u>Report Date:</u> February 21, 2024
<u>Report Distribution:</u>	Jim Hudson, Secretary Department of Finance and Administration	<u>For Fiscal Year:</u> June 30, 2024
	Office of the Arkansas Lottery Eric Hagler, OAL Executive Director Jerry Fetzer, Chief Financial Officer Casey Hargis, Financial Analyst Brent Standridge, Chief Legal Counsel	

Introduction

An audit for Marketing Promotional Inventory (MPI) process for fiscal year ended June 30, 2024, has been completed by Internal Audit. The review 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

A.C.A. §19-4-1501 Uniform system of perpetual inventory describes criteria used to purchase, dispose and track consumable supplies or goods that shall be included in a perpetual inventory system. A.C.A. §19-4-1502 outlines the responsibility of the executive head of each state agency to keep and maintain a record of all state property under his or her control.

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 the appropriate controls and procedures are in place for keeping and maintaining a record of marketing promotional inventory, as well as safeguarding assets.

Objectives

- Ensure policies and procedures are designed and implemented to appropriately track marketing promotional inventory.
- Ensure policies and procedures include internal controls to properly secure marketing promotional inventory.
- Ensure that Marketing Promotional Inventory Log reflects proper inventory amounts and reconciles to the General Ledger.

Scope

The procedures performed included inquiry and an inventory observation to verify quantities per the Marketing Promotional Inventory Log. Procedures also include utilizing invoices to perform reasonableness tests related to unit cost, shipping and handling and sales tax. An Inventory Reconciliation and the General Ledger, as of November 30, 2023, were used to verify month-end balance. (Observation date December 7, 2023.)

Observations

IA had no observations or recommendations.

William C Miller, CPA

William C Miller, CPA, CGMA
Director of Internal Audit