



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE ARKANSAS LOTTERY

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November 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:

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 October 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 dark ink, appearing to be "Bishop Woodsley".

Bishop Woodsley
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
October 1 through October 31, 2017**

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

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

1. Debt Set-Off Collections:

a.	Arkansas Department of Finance and Administration	\$8,356.50
b.	Arkansas Office of Child Support Enforcement - Child Support	<u>\$3,000.00</u>
	Total Debt Set-Off:	\$11,356.50

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

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
October 1 through October 31, 2017

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$7,912.00	\$5,461.50	\$10,282.00	\$494,719.00	\$1,512.00	\$8,150.00	\$7,688.00	\$17,888.00	\$553,612.50
ASHLEY	\$11,361.00	\$11,412.00	\$3,872.00	\$123,760.00	\$1,108.00	\$4,520.00	\$2,253.00	\$11,006.00	\$169,292.00
BAXTER	\$2,549.50	\$2,317.50	\$10,477.00	\$367,619.00	\$6,234.00	\$12,668.00	\$14,386.00	\$29,808.00	\$446,059.00
BENTON	\$6,294.50	\$2,943.00	\$19,973.00	\$1,118,797.00	\$11,684.00	\$46,400.00	\$36,474.00	\$120,069.00	\$1,362,634.50
BOONE	\$2,219.00	\$2,058.00	\$10,556.00	\$451,983.00	\$2,350.00	\$9,664.00	\$6,066.00	\$23,258.00	\$508,154.00
BRADLEY	\$942.00	\$2,039.50	\$1,209.00	\$142,161.00	\$624.00	\$1,870.00	\$1,857.00	\$6,965.00	\$157,667.50
CALHOUN	\$4,918.00	\$1,074.00	\$937.00	\$48,000.00	\$486.00	\$1,352.00	\$863.00	\$2,498.00	\$60,128.00
CARROLL	\$326.50	\$451.50	\$3,673.00	\$261,262.00	\$1,454.00	\$5,972.00	\$3,836.00	\$14,944.00	\$291,919.00
CHICOT	\$7,204.50	\$4,796.00	\$2,202.00	\$172,554.00	\$4,004.00	\$15,536.00	\$8,130.00	\$46,422.00	\$260,848.50
CLARK	\$3,718.50	\$1,937.00	\$12,320.00	\$324,252.00	\$1,540.00	\$6,326.00	\$6,095.00	\$14,361.00	\$370,549.50
CLAY	\$327.50	\$30.50	\$1,339.00	\$105,347.00	\$506.00	\$1,571.00	\$1,966.00	\$4,281.00	\$115,368.00
CLEBURNE	\$2,642.00	\$452.50	\$17,578.00	\$275,871.00	\$2,428.00	\$8,596.00	\$12,088.00	\$18,976.00	\$338,631.50
CLEVELAND	\$362.00	\$448.50	\$987.00	\$52,498.00	\$236.00	\$860.00	\$1,552.00	\$1,979.00	\$58,922.50
COLUMBIA	\$16,889.50	\$7,738.50	\$8,613.00	\$333,786.00	\$1,910.00	\$4,648.00	\$3,390.00	\$11,488.00	\$388,463.00
CONWAY	\$4,622.00	\$2,102.00	\$5,592.00	\$474,117.00	\$1,788.00	\$8,143.00	\$9,538.00	\$19,087.00	\$524,989.00
CRAIGHEAD	\$7,933.00	\$5,058.50	\$32,574.00	\$1,392,510.00	\$5,166.00	\$21,388.00	\$20,876.00	\$54,242.00	\$1,539,747.50
CRAWFORD	\$1,712.50	\$590.50	\$10,218.00	\$344,658.00	\$3,870.00	\$14,905.00	\$15,932.00	\$32,866.00	\$424,752.00
CRITTENDEN	\$21,190.00	\$14,365.50	\$7,062.00	\$552,511.00	\$5,042.00	\$19,313.00	\$12,960.00	\$54,662.00	\$687,105.50
CROSS	\$3,303.00	\$1,848.50	\$4,089.00	\$220,200.00	\$926.00	\$4,000.00	\$3,986.00	\$8,849.00	\$247,201.50
DALLAS	\$1,760.00	\$756.50	\$2,639.00	\$140,064.00	\$428.00	\$2,279.00	\$2,825.00	\$5,324.00	\$156,075.50
DESHA	\$6,527.50	\$2,689.50	\$1,912.00	\$209,310.00	\$1,048.00	\$5,638.00	\$5,199.00	\$11,319.00	\$243,643.00
DREW	\$1,519.00	\$1,339.00	\$7,513.00	\$203,938.00	\$2,008.00	\$5,041.00	\$4,411.00	\$12,345.00	\$238,114.00
FAULKNER	\$10,788.50	\$5,755.00	\$38,578.00	\$1,265,185.00	\$8,248.00	\$31,212.00	\$42,229.00	\$75,045.00	\$1,477,040.50
FRANKLIN	\$422.00	\$358.50	\$7,961.00	\$177,963.00	\$1,132.00	\$4,847.00	\$4,689.00	\$12,921.00	\$210,293.50
FULTON	\$252.00	\$148.50	\$3,744.00	\$76,117.00	\$418.00	\$1,394.00	\$1,327.00	\$3,386.00	\$86,786.50
GARLAND	\$8,552.00	\$5,679.00	\$29,664.00	\$930,879.00	\$10,988.00	\$38,121.00	\$48,608.00	\$81,225.00	\$1,153,716.00
GRANT	\$852.50	\$224.00	\$4,380.00	\$140,822.00	\$1,130.00	\$3,718.00	\$4,939.00	\$8,365.00	\$164,430.50
GREENE	\$774.00	\$438.50	\$9,058.00	\$631,727.00	\$3,040.00	\$10,219.00	\$8,960.00	\$26,213.00	\$690,429.50
HEMPSTEAD	\$35,821.00	\$14,256.00	\$6,717.00	\$356,474.00	\$1,312.00	\$5,245.00	\$3,646.00	\$10,708.00	\$434,179.00
HOT SPRING	\$835.00	\$448.00	\$7,402.00	\$322,649.00	\$2,344.00	\$7,882.00	\$9,660.00	\$17,083.00	\$368,303.00

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
October 1 through October 31, 2017

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$18,029.50	\$9,029.50	\$15,894.00	\$215,498.00	\$1,206.00	\$3,672.00	\$4,362.00	\$8,496.00	\$276,187.00
INDEPENDENCE	\$5,359.00	\$2,363.50	\$29,438.00	\$528,292.00	\$2,276.00	\$10,000.00	\$9,929.00	\$24,171.00	\$611,828.50
IZARD	\$239.00	\$36.00	\$7,273.00	\$93,724.00	\$648.00	\$3,145.00	\$4,674.00	\$5,881.00	\$115,620.00
JACKSON	\$13,580.00	\$9,081.50	\$14,646.00	\$312,970.00	\$1,678.00	\$4,971.00	\$6,696.00	\$10,804.00	\$374,426.50
JEFFERSON	\$44,858.00	\$33,195.00	\$33,946.00	\$1,541,194.00	\$7,536.00	\$29,057.00	\$32,282.00	\$55,678.00	\$1,777,746.00
JOHNSON	\$815.00	\$342.50	\$3,590.00	\$239,727.00	\$1,336.00	\$5,116.00	\$5,471.00	\$11,738.00	\$268,135.50
LAFAYETTE	\$10,377.00	\$2,115.50	\$1,871.00	\$73,200.00	\$610.00	\$1,576.00	\$827.00	\$2,769.00	\$93,345.50
LAWRENCE	\$1,197.50	\$182.00	\$7,254.00	\$211,500.00	\$706.00	\$2,662.00	\$2,659.00	\$7,302.00	\$233,462.50
LEE	\$3,399.00	\$3,760.00	\$580.00	\$78,000.00	\$394.00	\$1,517.00	\$574.00	\$3,372.00	\$91,596.00
LINCOLN	\$346.00	\$383.50	\$3,217.00	\$100,431.00	\$734.00	\$2,181.00	\$3,297.00	\$4,872.00	\$115,461.50
LITTLE RIVER	\$3,107.50	\$3,652.00	\$2,615.00	\$89,672.00	\$616.00	\$2,873.00	\$1,603.00	\$5,126.00	\$109,264.50
LOGAN	\$1,026.00	\$282.50	\$7,942.00	\$198,218.00	\$1,208.00	\$5,457.00	\$4,451.00	\$13,922.00	\$232,506.50
LONOKE	\$10,344.50	\$8,177.50	\$23,184.00	\$929,126.00	\$6,878.00	\$24,275.00	\$28,378.00	\$54,399.00	\$1,084,762.00
MADISON	\$263.00	\$16.50	\$516.00	\$79,484.00	\$834.00	\$3,251.00	\$2,552.00	\$7,054.00	\$93,970.50
MARION	\$1,508.00	\$554.50	\$4,462.00	\$168,930.00	\$2,084.00	\$4,113.00	\$4,915.00	\$11,075.00	\$197,641.50
MILLER	\$22,284.50	\$11,885.00	\$11,684.00	\$581,084.00	\$3,434.00	\$9,886.00	\$5,825.00	\$21,157.00	\$667,239.50
MISSISSIPPI	\$38,023.00	\$17,264.00	\$8,015.00	\$485,110.00	\$1,794.00	\$7,638.00	\$5,728.00	\$20,082.00	\$583,654.00
MONROE	\$3,129.50	\$1,471.00	\$3,974.00	\$139,266.00	\$564.00	\$2,877.00	\$2,971.00	\$7,928.00	\$162,180.50
MONTGOMERY	\$30.00	\$5.00	\$2,768.00	\$34,500.00	\$362.00	\$1,503.00	\$1,744.00	\$3,446.00	\$44,358.00
NEVADA	\$2,488.50	\$2,708.00	\$4,226.00	\$163,736.00	\$1,148.00	\$2,153.00	\$1,628.00	\$4,495.00	\$182,582.50
NEWTON	\$123.00	\$21.00	\$7,583.00	\$46,305.00	\$268.00	\$1,372.00	\$1,129.00	\$2,326.00	\$59,127.00
OUACHITA	\$16,257.00	\$5,574.00	\$14,784.00	\$567,815.00	\$1,866.00	\$6,441.00	\$7,172.00	\$15,926.00	\$635,835.00
PERRY	\$787.50	\$477.00	\$1,236.00	\$104,700.00	\$406.00	\$2,280.00	\$2,274.00	\$4,326.00	\$116,486.50
PHILLIPS	\$11,085.00	\$5,408.00	\$990.00	\$190,919.00	\$2,120.00	\$10,140.00	\$4,322.00	\$27,441.00	\$252,425.00
PIKE	\$483.00	\$57.00	\$11,245.00	\$106,113.00	\$674.00	\$2,768.00	\$3,058.00	\$5,796.00	\$130,194.00
POINSETT	\$5,172.50	\$1,309.00	\$10,034.00	\$431,409.00	\$1,232.00	\$5,736.00	\$5,327.00	\$13,989.00	\$474,208.50
POLK	\$669.50	\$34.00	\$4,014.00	\$125,386.00	\$1,282.00	\$5,150.00	\$4,712.00	\$12,737.00	\$153,984.50
POPE	\$3,535.00	\$1,560.50	\$12,461.00	\$777,380.00	\$5,172.00	\$18,649.00	\$20,411.00	\$46,341.00	\$885,509.50
PRAIRIE	\$2,579.50	\$1,146.50	\$4,139.00	\$183,777.00	\$444.00	\$2,339.00	\$2,150.00	\$5,935.00	\$202,510.00
PULASKI	\$108,602.50	\$92,238.00	\$152,720.00	\$6,128,709.00	\$49,978.00	\$151,596.00	\$190,835.00	\$327,366.00	\$7,202,044.50
RANDOLPH	\$411.50	\$478.50	\$3,833.00	\$189,539.00	\$1,488.00	\$4,400.00	\$2,342.00	\$7,840.00	\$210,332.00

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
October 1 through October 31, 2017

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$12,109.50	\$8,958.50	\$1,756.00	\$290,561.00	\$1,942.00	\$5,962.00	\$4,813.00	\$16,004.00	\$342,106.00
SALINE	\$8,130.50	\$6,600.00	\$44,262.00	\$1,121,239.00	\$9,848.00	\$31,745.00	\$44,218.00	\$68,961.00	\$1,335,003.50
SCOTT	\$87.50	\$7.00	\$921.00	\$79,200.00	\$712.00	\$2,233.00	\$2,042.00	\$6,030.00	\$91,232.50
SEARCY	\$80.00	\$333.00	\$1,129.00	\$88,878.00	\$442.00	\$1,834.00	\$2,096.00	\$4,617.00	\$99,409.00
SEBASTIAN	\$16,302.00	\$5,153.00	\$13,884.00	\$829,030.00	\$9,720.00	\$38,515.00	\$34,748.00	\$89,768.00	\$1,037,120.00
SEVIER	\$1,681.00	\$824.00	\$558.00	\$113,744.00	\$914.00	\$3,224.00	\$1,705.00	\$6,813.00	\$129,463.00
SHARP	\$898.00	\$415.00	\$8,814.00	\$229,621.00	\$1,538.00	\$5,066.00	\$6,169.00	\$11,659.00	\$264,180.00
STONE	\$2,514.00	\$837.00	\$6,664.00	\$96,433.00	\$954.00	\$3,135.00	\$4,978.00	\$7,307.00	\$122,822.00
UNION	\$51,372.50	\$25,276.50	\$21,319.00	\$843,041.00	\$3,932.00	\$13,093.00	\$9,830.00	\$28,947.00	\$996,811.00
VAN BUREN	\$813.50	\$584.50	\$4,015.00	\$158,630.00	\$1,080.00	\$4,814.00	\$4,876.00	\$10,390.00	\$185,203.00
WASHINGTON	\$14,329.00	\$5,878.50	\$23,822.00	\$1,471,531.00	\$13,896.00	\$50,426.00	\$43,330.00	\$123,092.00	\$1,746,304.50
WHITE	\$4,867.50	\$4,576.00	\$42,355.00	\$1,071,429.00	\$5,468.00	\$20,107.00	\$26,995.00	\$46,268.00	\$1,222,065.50
WOODRUFF	\$2,846.00	\$1,852.00	\$2,988.00	\$113,803.00	\$424.00	\$1,635.00	\$1,913.00	\$4,462.00	\$129,923.00
YELL	\$1,521.50	\$136.00	\$12,483.00	\$257,400.00	\$1,356.00	\$4,848.00	\$5,851.00	\$11,280.00	\$294,875.50

GRAND TOTALS	*Cash 3	*Cash 4	*Fast Play	*Instant Settlements	*Lucky for Life	*Mega Millions	*Natural State Jackpot	*Powerball	*Total Sales
	\$622,193.50	\$375,457.00	\$878,225.00	\$33,591,987.00	\$238,166.00	\$836,909.00	\$874,291.00	\$1,946,971.00	\$39,364,199.50

*Estimates

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

There were 1,935 active retailers as of October 31, 2017.

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

ASSETS

Current assets:

Cash and cash equivalents	\$ 2,089,363.88
Restricted assets:	
Cash and cash equivalents	41,768,385.48
Accounts receivable	12,916,301.33
Prepaid items	98,082.73
Total current assets	<u>56,872,133.42</u>

Non-current assets:

Restricted assets:	
Cash and cash equivalents	20,567,165.26
Deposits with Multi-State Lottery Association	1,810,132.26
Capital assets (Net of accumulated depreciation)	386,418.41
Total non-current assets	<u>22,763,715.93</u>

Total assets 79,635,849.35

Deferred outflows of resources:

Related to pension 1,717,009.16

Total assets and deferred outflows of resources \$ 81,352,858.51

LIABILITIES

Current liabilities:

Accounts payable	\$ 79,840.47
Prizes payable	18,025,752.59
Accrued and other liabilities	1,802,150.80
Due to other funds of the State	730,117.99
Payable to ADHE for Education Trust Account	38,392,401.75
Compensated absences	331,163.16
Unearned revenue	296,570.34
Total current liabilities	<u>59,657,997.10</u>

Long-Term liabilities:

Net other post employment benefits	2,272,180.34
Net pension liability	4,732,352.00
Total long-term liabilities	<u>7,004,532.34</u>

Total liabilities 66,662,529.44

Deferred inflows of resources:

Related to pension 703,066.00

Total liabilities and deferred inflows of resources 67,365,595.44

NET POSITION

Net position:

Invested in capital assets	386,418.41
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer fidelity reserve	171,252.71
Retailer bond reserve	495,912.55
Deposits with Multi-State Lottery Association	1,810,132.26
Unclaimed prizes reserve	3,275,983.73
Unrestricted (deficit)	<u>(12,152,436.59)</u>

Total net position 13,987,263.07

Total liabilities, deferred inflows of resources and net position \$ 81,352,858.51

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

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 34,015,384.00	\$ 129,498,405.00
Online ticket sales	5,679,852.50	32,586,445.00
Retailer application, fidelity, bond and service fees	106,642.48	325,177.01
Other revenue	<u>861.55</u>	<u>4,300.70</u>
 Total operating revenues	 <u>39,802,740.53</u>	 <u>162,414,327.71</u>
 Operating expenses:		
Instant game prizes	24,413,397.81	92,588,114.15
Online game prizes	3,156,727.75	17,542,174.60
Retailer commissions	2,262,293.76	9,147,225.54
Gaming contract costs	1,757,048.58	7,697,284.14
Compensation and benefits	413,627.38	1,664,260.03
Marketing, advertising and promotions	646,589.80	2,259,378.38
General and administrative expenses	285,911.25	1,513,422.62
Services provided by Arkansas Department of Higher Education	37,000.00	147,666.00
Services provided by Arkansas Legislative Audit	11,300.00	45,150.00
Legal and professional services	0.00	467.88
Depreciation	<u>8,730.66</u>	<u>34,166.29</u>
 Total operating expenses	 <u>32,992,626.99</u>	 <u>132,639,309.63</u>
 Operating income (1)	 6,810,113.54	 29,775,018.08
 Non-operating revenue:		
Interest income	<u>88,113.78</u>	<u>388,842.89</u>
 Income before transfers	 6,898,227.32	 30,163,860.97
 Transfers to:		
Education Trust Account (2)	<u>(5,667,305.74)</u>	<u>(27,997,144.20)</u>
 Change in net position	 <u>\$ 1,230,921.58</u>	 2,166,716.77
 Total net position - beginning		11,820,546.30
Total net position - ending		<u>\$ 13,987,263.07</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 Four Months Ended October 31, 2017

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating revenues:										
Instant games	\$ 34,015,384.00	85.46	\$ 30,231,000.00	82.45	\$ 3,784,384.00	\$ 129,498,405.00	79.73	\$ 116,373,000.00	81.32	\$ 13,125,405.00
Online games	5,679,852.50	14.27	6,367,000.00	17.36	(687,147.50)	32,586,445.00	20.06	26,354,000.00	18.42	6,232,445.00
Retailer fees	106,642.48	0.27	69,000.00	0.19	37,642.48	325,177.01	0.20	369,000.00	0.26	(43,822.99)
Other revenue	<u>861.55</u>	0.00	<u>1,000.00</u>	0.00	<u>(138.45)</u>	<u>4,300.70</u>	0.00	<u>4,000.00</u>	0.00	<u>300.70</u>
				0.00%						
Total operating revenues	<u>39,802,740.53</u>	100.00	<u>36,668,000.00</u>	100.00	<u>3,134,740.53</u>	<u>162,414,327.71</u>	100.00	<u>143,100,000.00</u>	100.00	<u>19,314,327.71</u>
Operating expenses:										
Instant game prizes	24,413,397.81	61.34	21,550,000.00	58.77	2,863,397.81	92,588,114.15	57.01	84,005,421.00	58.70	8,582,693.15
Online game prizes	3,156,727.75	7.93	3,429,000.00	9.35	(272,272.25)	17,542,174.60	10.80	13,359,219.00	9.34	4,182,955.60
Retailer commissions	2,262,293.76	5.68	2,067,000.00	5.64	195,293.76	9,147,225.54	5.63	8,062,000.00	5.63	1,085,225.54
Gaming contract costs	1,757,048.58	4.41	1,601,000.00	4.37	156,048.58	7,697,284.14	4.74	6,744,100.00	4.71	953,184.14
Compensation & benefits	413,627.38	1.04	469,000.00	1.28	(55,372.62)	1,664,260.03	1.02	1,815,000.00	1.27	(150,739.97)
Marketing, advertising & promotions	646,589.80	1.62	539,000.00	1.47	107,589.80	2,259,378.38	1.39	2,197,000.00	1.54	62,378.38
General and administrative expenses	285,911.25	0.72	325,000.00	0.89	(39,088.75)	1,513,422.62	0.93	1,318,000.00	0.92	195,422.62
Services provided by other agencies	48,300.00	0.12	62,000.00	0.17	(13,700.00)	192,816.00	0.12	249,000.00	0.17	(56,184.00)
Legal and professional service	-	-	500.00	0.00	(500.00)	467.88	0.00	2,000.00	0.00	(1,532.12)
Depreciation	<u>8,730.66</u>	0.02	<u>10,000.00</u>	0.03	<u>(1,269.34)</u>	<u>34,166.29</u>	0.02	<u>41,000.00</u>	0.03	<u>(6,833.71)</u>
Total operating expenses	<u>32,992,626.99</u>	82.89	<u>30,052,500.00</u>	81.96	<u>2,940,126.99</u>	<u>132,639,309.63</u>	81.67	<u>117,792,740.00</u>	82.31	<u>14,846,569.63</u>
Operating income	6,810,113.54	17.11	6,615,500.00	18.04	194,613.54	29,775,018.08	18.33	25,307,260.00	17.69	4,467,758.08
Non-operating revenue:										
Interest income	<u>88,113.78</u>	0.22	<u>26,000.00</u>	0.07	<u>62,113.78</u>	<u>388,842.89</u>	0.24	<u>151,000.00</u>	0.11	<u>237,842.89</u>
Income before transfers	<u>\$ 6,898,227.32</u>	17.33	<u>\$ 6,641,500.00</u>	18.11	<u>\$ 256,727.32</u>	<u>\$ 30,163,860.97</u>	18.57	<u>\$ 25,458,260.00</u>	17.79	<u>\$ 4,705,600.97</u>

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

	Year to date			
Operating revenues:				
Instant ticket SETTLEMENTS	\$ 130,475,503.00			
Online ticket sales	32,586,445.00			
Retailer application, fidelity and service fees	325,177.01			
Other revenue	4,300.70			
	<u>163,391,425.71</u>			
Total operating revenues				
Operating expenses:				
Instant game prizes SETTLEMENTS	93,545,598.63			
Online game prizes	17,542,174.60			
Retailer commissions	9,147,225.54			
Gaming contract costs	7,697,284.14			
Compensation and benefits	1,664,260.03			
Marketing, advertising and promotions	2,259,378.38			
General and administrative expenses	1,513,422.62			
Services provided by ADHE	147,666.00			
Services provided by Legislative Audit Agency	45,150.00			
Legal and professional services	467.88			
Current year Capital Asset cost	36,296.55			
Total operating expenses	<u>133,598,924.37</u>			
Change in net proceeds from operations	29,792,501.34			
Nonoperating revenue (expense):				
Interest Income	388,842.89			
Other Non-Operating Income	0.00			
EDUCATION TRUST FUNDING-Current Year	(22,329,838.46)			
Less Act 1180 Unclaimed Prizes	(2,275,983.73)			
Less Current year Fidelity Reserve Fees	(12,897.73)	restricted reserves		
Less Current year Bond Reserve Fees	(122,600.00)	restricted reserves		
Less Current year MUSL Reserves (additions) / reductions	137,938.43	see 23-115-103(17) and (19)(A)&(B)		
Add OPEB expense in Comp and Benefits	89,343.00			
	<u>89,343.00</u>			
NET PROCEEDS EARNED-Current Month	\$ 5,667,305.74			
	Transfer	Interest	Total	
Totals	\$ 37,020,887.75	\$ 1,371,514.00	\$ 38,392,401.75	
January 2017 funding - 2/15/17	\$ 7,922,573.49	\$ 24,972.72	\$ 7,947,546.21	
Transfer to ADHE 2/10/16	\$ (35,000,000.00)		\$ (35,000,000.00)	
February 2017 funding - 3/15/17	\$ 6,688,267.91	\$ 9,831.71	\$ 6,698,099.62	
March 2017 funding - 4/15/17	\$ 6,195,046.44	\$ 9,658.31	\$ 6,204,704.75	
April 2017 funding - 5/15/17	\$ 7,831,636.38	\$ 14,191.18	\$ 7,845,827.56	
May 2017 funding - 6/15/17	\$ 7,043,689.60	\$ 25,080.58	\$ 7,068,770.18	
June 2017 funding - 7/15/17	\$ 13,163,625.66	\$ 30,026.52	\$ 13,193,652.18	
July 2017 funding - 8/15/17	\$ 6,610,939.69	\$ 50,823.30	\$ 6,661,762.99	
August 2017 funding - 9/15/17	\$ 8,850,323.23	\$ 62,418.31	\$ 8,912,741.54	
September 2017 funding - 10/15/17	\$ 6,688,470.75	\$ 66,863.18	\$ 6,755,333.93	
Transfer from ADHE (final 2017 Adj) -10/15/17	\$ (120,270.21)		\$ (120,270.21)	
Transfer to ADHE 10/6/07	\$ (35,000,000.00)		\$ (35,000,000.00)	
October 2017 funding - 11/15/17	\$ 5,619,710.41	47,595.33	5,667,305.74	

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

	Monthly	Year to Date
Reserve Balance July 1, 2017		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 563,676.89	2,275,983.73
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotions or reserves:	\$ 563,676.89	2,272,983.73
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
 Reserve Balance October 31, 2017		 \$3,275,983.73

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

**OFFICE OF THE ARKANSAS LOTTERY MINORITY AND FEMALE OWNED DIVERSITY COMPLIANCE REPORT
October 1 through October 31, 2017**

Vendors	Goods or Services	Diversity Classification	October 2017	FY 2018 Total
Goddess Products	Office Furniture/Supplies	CMBE	\$579.22	\$2,902.51
Government Supply Services	Office Furniture/Supplies	MBE	\$615.56	\$615.56
Trivia Marketing	Advertising/Public Relations	WBE	\$8,329.82	\$15,578.32
Totals			\$9,524.60	\$19,096.39

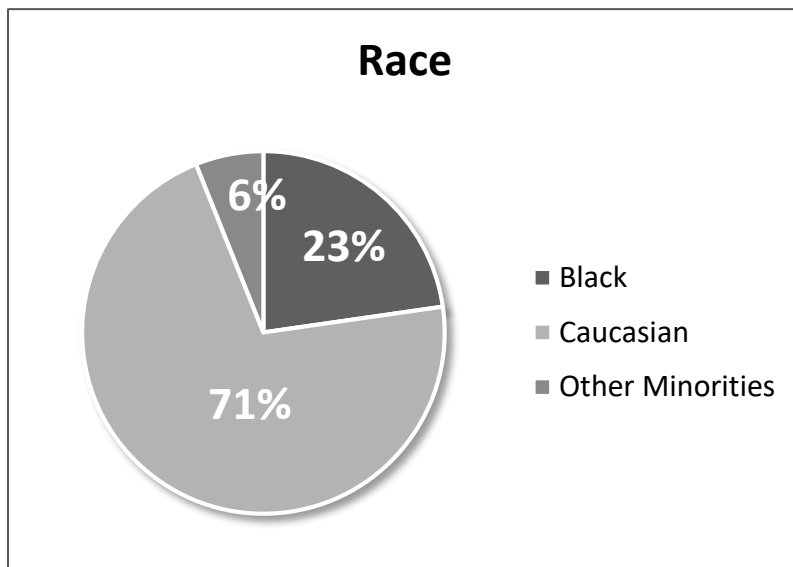
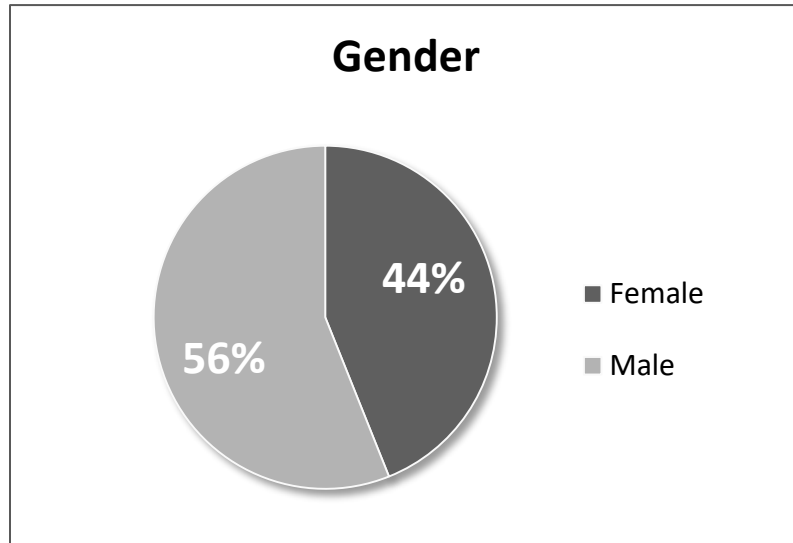
**INTRALOT MINORITY AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
October 1 through October 31, 2017**

Vendors	Goods or Services	Diversity Classification	October 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	\$38,079.00

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

Vendors	Goods or Services	Diversity Classification	October 2017	FY 2018 Total
Expedited Transportation Services	Transportation Services	DBE	\$2,109.48	\$11,623.13
Ingage, LLC	Fulfillment Services and Prizes	WBE	\$46,021.88	\$174,534.51
Mr. Klean's Carpet and Janitorial Service	Janitorial Services	MBE	\$396.00	\$1,584.00
Totals			\$48,527.36	\$187,741.64

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



Total Number of Employees as of October 31, 2017: 66

Gender:

Females – 29
Males – 37

Race:

Black – 15
Caucasian – 47
Other – 4

Female -- 7	Male -- 8
Female -- 20	Male -- 27
Female -- 2	Male -- 2

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

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

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

Sales for the following instant games began October 3, 2017. No ending dates have been determined for these games.

\$1 Popeye™¹

\$2 Win it All

\$5 Bank on it

\$10 Big Money Multiplier

¹Popeye™ is a licensed property game. There are no additional costs for this game.

Sales for the following Fast Play games began October 2, 2017. No ending dates have been determined for these games.

\$1 Hunting for Hundreds

\$2 Shopping Spree

Sales for the following Fast Play games began October 30, 2017. No ending dates have been determined for these games.

\$1 Holiday Cash

\$1 Candy Cane Cash