



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

EXHIBIT C.1
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>

July 10, 2015

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 June 2015, 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



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**Department of Finance
and Administration**

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July 10, 2015

The Honorable Jimmy Hickey, 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 June 2015, pursuant to A.C.A. §§ 23-115-206 and 23-115-302. The reports contain the following information:

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

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Bishop Wonsley
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
June 1 through June 30, 2015

1. On June 11, 2015, Arkansas Department of Finance and Administration Division of Building Authority (ABA), Sublessor, and Arkansas Department of Finance and Administration Office of the Arkansas Lottery (OAL), Sublessee, entered into a Parking Lease Agreement. ABA has agreed to lease to OAL six parking spaces on the premises of 416 Main Street, Little Rock, AR, on a "first come first serve" basis. The following information is provided:
 - a. Date of Agreement: June 11, 2015
 - b. Terms of Agreement: Commencing on July 1, 2015, ABA will lease to OAL six (6) parking spaces on the surface parking lot located at 416 Main Street situated on the west side of Main Street between 4th Street and Capitol Avenue, Little Rock, AR. The lease will continue until such time as either party provides thirty (30) days written notice to terminate.
 - c. Vendor or other parties to the Agreement: Arkansas Department of Finance and Administration Division of Building Authority, Sublessor, and Arkansas Department of Finance and Administration Office of the Arkansas Lottery, Sublessee.
 - d. Value (cost or cost savings projected for the agreement): A parking fee in the sum of \$300.00 per month will be invoiced by Sublessor ABA and payable by Sublessee OAL within ten (10) days of invoice.

2. On June 15, 2015, Mitchell Communications Group (Mitchell Communications) and OAL entered into a First Amendment to the Agreement for Contractual Services for Supplemental Advertising, Marketing, and Media Services. The purpose of the amendment was to extend the agreement for a period of one year, pursuant to the agreement entered into between the parties (the Contract) on July 8, 2014. This First Amendment was reviewed by the Arkansas Legislative Council Lottery Oversight Subcommittee on June 11, 2015. The following information is provided:
 - a. Date of Agreement: June 15, 2015
 - b. Terms of Agreement: One (1) year, effective as of July 8, 2015, with an option for renewal up to two (2) additional times in one (1) year increments or a portion thereof.
 - c. Vendor or other parties to the Agreement: Mitchell Communications Group and the Office of the Arkansas Lottery.

- d. Value (cost or cost savings projected for the agreement): Five percent (5%) of net media cost:

Creative Director	\$185.00 per hour
Art Director	\$170.00 per hour
Copy Writer	\$100.00 per hour
Account Supervisor	\$120.00 per hour
Account Manager	\$70.00 per hour
Staff Accountant	\$50.00 per hour
Promotional Specialist	\$100.00 per hour
Promotional Staff	\$25.00 per hour
Graphic Designer	\$105.00 per hour
Public Relations Director	\$185.00 per hour
Public Relations Coordinator	\$135.00 per hour
Production Director	\$185.00 per hour

3. On June 16, 2015, Mangan Holcomb Partners (Mangan Holcomb) and OAL entered into a First Amendment to the Agreement for Contractual Services for Supplemental Advertising, Marketing, and Media Services. The purpose of the amendment was to extend the agreement for a period of one year, pursuant to the agreement entered into between the parties (the Contract) on July 8, 2014. The First Amendment was reviewed by the Arkansas Legislative Council Lottery Oversight Subcommittee on June 11, 2015. The following information is provided:

- a. Date of Agreement: June 16, 2015
- b. Terms of Agreement: One (1) year, effective as of July 8, 2015, with an option for renewal up to two (2) additional times in one (1) year increments or a portion thereof.
- c. Vendor or other parties to the Agreement: Mangan Holcomb Partners and the Office of the Arkansas Lottery.
- d. Value (cost or cost savings projected for the agreement): Five percent (5%) of net media cost:

Creative Director	\$185.00 per hour
Art Director	\$170.00 per hour
Copy Writer	\$100.00 per hour
Account Supervisor	\$120.00 per hour
Account Manager	\$70.00 per hour
Staff Accountant	\$50.00 per hour
Promotional Specialist	\$100.00 per hour
Promotional Staff	\$25.00 per hour

Graphic Designer	\$105.00 per hour
Public Relations Director	\$185.00 per hour
Public Relations Coordinator	\$135.00 per hour
Production Director	\$185.00 per hour

4. On May 18, 2015, Little Rock Union Plaza, LLC (Union Plaza), Lessor, and the Office of the Arkansas Lottery (OAL), through Arkansas Building Authority (ABA), Lessee, entered into an agreement to lease office space located at 124 West Capitol Avenue, Little Rock, Arkansas. The office space, approximately 24,927 square feet, is located in Suites 106, 300, and 1400 of the Union National Plaza Building, 124 West Capitol Avenue, Little Rock, Arkansas. The following information is provided:
 - a. Date of Agreement: May 18, 2015.
 - b. Terms of Agreement: The term will begin on September 1, 2015, and end on August 31, 2021, a period of seven (7) years.
 - c. Vendor or other parties to the Agreement: Little Rock Union Plaza, LLC, Lessor, and the Office of the Arkansas Lottery through the Arkansas Building Authority, Lessee.
 - d. Value (cost or cost savings projected for the agreement): Rent is \$34,710.85 per calendar month, payable within ten (10) days of invoice.

5. On June 18, 2015, OAL and the Multi-State Lottery Association (MUSL) entered into a First Amendment to the Website Hosting/Cashing Service Level Agreement. The term of the agreement is for one (1) year, from July 1, 2015, through June 30, 2016, and will automatically renew for one (1) year periods unless OAL provides written notice to MUSL that it will not be renewing the contract within thirty (30) days of the current contract end date. The fee is \$21,000 per year, paid annually, for the period of July 1, 2015, through June 30, 2017.

6. On June 18, 2015, a Second Amendment to the Agreement for Contract Services for Outdoor Advertising was executed between the Sunshine Electronic Display Corporation (Sunshine) and Mangan Holcomb Corporation (MGH) on behalf of the Office of the Arkansas Lottery. The purpose of the agreement is for the leasing of thirty-two (32) jackpot displays of various sizes. The displays will be attached by Sunshine to sixteen (16) billboards leased through MGH. The following information is provided:
 - a. Date of Agreement: June 18, 2015.
 - b. Terms of Agreement: The term of the lease is a period of twelve (12) consecutive calendar months, commencing on July 1, 2015, and continuing through June 30, 2016. MGH will pay Sunshine \$265.00 plus sales tax per month for each display. MGH will then invoice OAL monthly for the jackpot displays.

- c. Vendor or other parties to the Agreement: Sunshine Electronic Display Corporation, Mangan Holcomb Corporation, and Office of the Arkansas Lottery.
- d. Value (cost or cost savings projected for the agreement): \$265.00 per month per display plus sales tax for thirty-two (32) signs for twelve (12), or \$101,760.00 plus sales tax.

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Debt Set-Off and Retailer Losses
June 2015**

1. Debt Set-Off:

a.	Arkansas Department of Finance and Administration	\$8,166.53
b.	Arkansas Office of Child Support Enforcement - Child Support	<u>\$0.00</u>
	Total Debt Set-Off:	\$8,166.53

2. Retailer losses for period June 1 through June 30, 2015: None.

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
June 1 through June 30, 2015**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
ARKANSAS	\$7,824.00	\$6,205.00	\$6,178.00	\$330,687.00	\$3,398.00	\$8,823.00	\$8,267.00	\$12,491.00	\$383,873.00
ASHLEY	\$8,681.00	\$8,136.50	\$3,469.00	\$106,303.00	\$1,726.00	\$5,389.00	\$2,201.00	\$9,351.00	\$145,256.50
BAXTER	\$4,194.00	\$1,484.00	\$8,624.00	\$348,529.00	\$5,160.00	\$12,937.00	\$12,509.00	\$23,098.00	\$416,535.00
BENTON	\$6,156.50	\$2,867.00	\$22,892.00	\$889,627.00	\$14,204.00	\$57,421.00	\$27,079.00	\$87,642.00	\$1,107,888.50
BOONE	\$2,163.00	\$2,220.00	\$12,647.00	\$396,710.00	\$2,834.00	\$11,653.00	\$6,743.00	\$18,515.00	\$453,485.00
BRADLEY	\$1,469.00	\$1,552.50	\$1,737.00	\$116,700.00	\$1,276.00	\$2,200.00	\$2,184.00	\$3,516.00	\$130,634.50
CALHOUN	\$1,767.00	\$869.50	\$591.00	\$44,100.00	\$666.00	\$923.00	\$786.00	\$1,443.00	\$51,145.50
CARROLL	\$1,361.50	\$1,682.00	\$4,327.00	\$247,961.00	\$2,554.00	\$8,484.00	\$3,822.00	\$13,294.00	\$283,485.50
CHICOT	\$7,985.00	\$6,026.50	\$1,170.00	\$109,892.00	\$3,380.00	\$17,413.00	\$6,892.00	\$33,072.00	\$185,830.50
CLARK	\$2,711.50	\$1,433.50	\$15,323.00	\$301,751.00	\$2,420.00	\$8,357.00	\$6,398.00	\$11,845.00	\$350,239.00
CLAY	\$311.50	\$107.50	\$947.00	\$83,100.00	\$612.00	\$1,843.00	\$1,338.00	\$3,439.00	\$91,698.00
CLEBURNE	\$1,193.50	\$449.50	\$10,735.00	\$254,552.00	\$4,306.00	\$11,397.00	\$13,549.00	\$16,331.00	\$312,513.00
CLEVELAND	\$403.00	\$364.00	\$2,390.00	\$41,879.00	\$288.00	\$1,208.00	\$763.00	\$2,250.00	\$49,545.00
COLUMBIA	\$12,413.50	\$9,966.00	\$13,031.00	\$227,037.00	\$2,846.00	\$6,390.00	\$3,869.00	\$10,103.00	\$285,655.50
CONWAY	\$5,319.50	\$1,490.50	\$13,432.00	\$435,393.00	\$3,172.00	\$9,805.00	\$13,137.00	\$15,730.00	\$497,479.00
CRAIGHEAD	\$8,285.00	\$4,130.00	\$25,946.00	\$1,053,605.00	\$8,086.00	\$28,124.00	\$21,354.00	\$44,366.00	\$1,193,896.00
CRAWFORD	\$1,244.50	\$619.50	\$4,834.00	\$264,070.00	\$5,018.00	\$18,841.00	\$13,899.00	\$27,476.00	\$336,002.00
CRITTENDEN	\$15,808.50	\$12,091.00	\$6,700.00	\$468,255.00	\$6,078.00	\$25,717.00	\$13,992.00	\$44,356.00	\$592,997.50
CROSS	\$3,183.50	\$1,528.00	\$6,671.00	\$186,108.00	\$1,094.00	\$4,722.00	\$3,436.00	\$6,987.00	\$213,729.50
DALLAS	\$1,634.50	\$546.50	\$3,807.00	\$106,850.00	\$916.00	\$2,696.00	\$2,214.00	\$4,260.00	\$122,924.00
DESHA	\$2,363.00	\$829.00	\$3,305.00	\$136,200.00	\$1,346.00	\$5,868.00	\$4,401.00	\$9,331.00	\$163,643.00
DREW	\$1,822.50	\$751.50	\$3,280.00	\$181,066.00	\$2,014.00	\$6,075.00	\$4,903.00	\$9,875.00	\$209,787.00
FAULKNER	\$10,722.50	\$6,444.50	\$24,169.00	\$923,471.00	\$11,900.00	\$34,720.00	\$33,209.00	\$55,487.00	\$1,100,123.00
FRANKLIN	\$427.50	\$34.50	\$2,981.00	\$117,495.00	\$1,532.00	\$5,515.00	\$3,546.00	\$8,006.00	\$139,537.00
FULTON	\$431.00	\$281.00	\$740.00	\$54,903.00	\$634.00	\$1,948.00	\$1,128.00	\$3,420.00	\$63,485.00
GARLAND	\$7,612.50	\$4,526.50	\$34,768.00	\$851,555.00	\$16,252.00	\$44,676.00	\$47,682.00	\$68,130.00	\$1,075,202.00
GRANT	\$330.00	\$205.50	\$2,931.00	\$116,400.00	\$1,832.00	\$4,578.00	\$3,963.00	\$7,236.00	\$137,475.50
GREENE	\$669.50	\$634.50	\$4,996.00	\$473,275.00	\$3,502.00	\$12,566.00	\$8,260.00	\$19,273.00	\$523,176.00
HEMPSTEAD	\$28,910.00	\$7,422.00	\$8,563.00	\$318,271.00	\$2,198.00	\$6,540.00	\$4,406.00	\$9,452.00	\$385,762.00
HOT SPRING	\$950.50	\$544.00	\$4,961.00	\$277,741.00	\$3,540.00	\$9,730.00	\$10,146.00	\$14,027.00	\$321,639.50

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
June 1 through June 30, 2015

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
HOWARD	\$19,169.50	\$7,700.00	\$4,448.00	\$189,600.00	\$2,128.00	\$4,457.00	\$3,227.00	\$5,498.00	\$236,227.50
INDEPENDENCE	\$3,162.50	\$597.50	\$20,071.00	\$485,333.00	\$3,802.00	\$12,065.00	\$11,534.00	\$19,528.00	\$556,093.00
IZARD	\$176.50	\$131.00	\$3,399.00	\$65,119.00	\$746.00	\$2,705.00	\$2,459.00	\$4,193.00	\$78,928.50
JACKSON	\$9,064.50	\$4,056.50	\$6,002.00	\$252,888.00	\$2,796.00	\$6,450.00	\$8,471.00	\$9,253.00	\$298,981.00
JEFFERSON	\$36,168.00	\$24,845.50	\$37,320.00	\$1,241,493.00	\$11,856.00	\$32,857.00	\$32,622.00	\$45,537.00	\$1,462,698.50
JOHNSON	\$865.50	\$689.50	\$5,729.00	\$204,444.00	\$1,722.00	\$6,019.00	\$4,733.00	\$9,949.00	\$234,151.00
LAFAYETTE	\$4,217.50	\$1,537.00	\$1,813.00	\$66,600.00	\$688.00	\$1,584.00	\$886.00	\$2,902.00	\$80,227.50
LAWRENCE	\$1,105.00	\$286.00	\$7,741.00	\$209,492.00	\$1,516.00	\$3,798.00	\$2,430.00	\$5,498.00	\$231,866.00
LEE	\$2,303.00	\$1,766.50	\$651.00	\$62,400.00	\$526.00	\$1,962.00	\$622.00	\$2,524.00	\$72,754.50
LINCOLN	\$284.50	\$145.50	\$3,826.00	\$79,031.00	\$994.00	\$2,307.00	\$3,501.00	\$3,534.00	\$93,623.00
LITTLE RIVER	\$3,458.50	\$2,449.50	\$814.00	\$91,737.00	\$674.00	\$3,120.00	\$1,629.00	\$4,014.00	\$107,896.00
LOGAN	\$782.50	\$235.50	\$3,852.00	\$167,574.00	\$1,816.00	\$6,588.00	\$4,615.00	\$11,268.00	\$196,731.00
LONOKE	\$7,648.50	\$3,709.50	\$24,169.00	\$801,108.00	\$8,868.00	\$28,793.00	\$25,431.00	\$44,527.00	\$944,254.00
MADISON	\$247.50	\$79.50	\$1,264.00	\$69,103.00	\$818.00	\$3,461.00	\$1,094.00	\$4,995.00	\$81,062.00
MARION	\$1,844.50	\$374.00	\$5,086.00	\$151,479.00	\$2,348.00	\$4,469.00	\$4,498.00	\$8,778.00	\$178,876.50
MILLER	\$22,438.00	\$8,775.00	\$3,494.00	\$373,596.00	\$2,672.00	\$11,594.00	\$11,750.00	\$15,686.00	\$450,005.00
MISSISSIPPI	\$44,756.00	\$30,794.50	\$8,049.00	\$455,974.00	\$2,634.00	\$12,268.00	\$6,633.00	\$18,480.00	\$579,588.50
MONROE	\$2,591.00	\$1,191.50	\$2,466.00	\$130,374.00	\$1,022.00	\$3,866.00	\$2,591.00	\$6,549.00	\$150,650.50
MONTGOMERY	\$31.00	\$3.50	\$2,512.00	\$14,748.00	\$674.00	\$1,706.00	\$1,075.00	\$2,535.00	\$23,284.50
NEVADA	\$2,956.00	\$550.00	\$3,819.00	\$157,509.00	\$1,428.00	\$2,876.00	\$1,811.00	\$4,553.00	\$175,502.00
NEWTON	\$31.00	\$0.00	\$1,489.00	\$42,600.00	\$360.00	\$1,334.00	\$844.00	\$1,851.00	\$48,509.00
OUACHITA	\$8,971.50	\$4,857.50	\$12,957.00	\$495,749.00	\$3,932.00	\$7,920.00	\$7,385.00	\$12,782.00	\$554,554.00
PERRY	\$592.50	\$604.50	\$1,138.00	\$79,500.00	\$692.00	\$4,175.00	\$3,050.00	\$4,924.00	\$94,676.00
PHILLIPS	\$7,802.50	\$3,746.50	\$857.00	\$164,802.00	\$2,458.00	\$11,161.00	\$3,494.00	\$18,740.00	\$213,061.00
PIKE	\$663.00	\$48.00	\$11,689.00	\$79,500.00	\$1,254.00	\$3,211.00	\$2,952.00	\$5,137.00	\$104,454.00
POINSETT	\$5,227.00	\$1,787.50	\$14,789.00	\$341,704.00	\$1,816.00	\$8,007.00	\$8,369.00	\$12,004.00	\$393,703.50
POLK	\$555.50	\$123.00	\$5,288.00	\$118,052.00	\$1,760.00	\$5,827.00	\$3,482.00	\$9,416.00	\$144,503.50
POPE	\$5,412.00	\$2,601.50	\$12,883.00	\$675,058.00	\$6,072.00	\$22,942.00	\$20,219.00	\$34,347.00	\$779,534.50
PRAIRIE	\$1,619.00	\$854.00	\$4,394.00	\$148,236.00	\$932.00	\$2,801.00	\$1,902.00	\$4,181.00	\$164,919.00
PULASKI	\$112,652.00	\$72,141.50	\$161,888.00	\$5,157,427.00	\$65,472.00	\$198,667.00	\$201,030.00	\$278,787.00	\$6,248,064.50
RANDOLPH	\$115.00	\$329.00	\$3,053.00	\$148,800.00	\$1,294.00	\$3,258.00	\$2,768.00	\$5,518.00	\$165,135.00

**ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
June 1 through June 30, 2015**

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE JACKPOT	POWERBALL	TOTAL SALES FOR COUNTY
SAINT FRANCIS	\$7,795.00	\$6,357.00	\$3,319.00	\$213,144.00	\$1,822.00	\$7,694.00	\$3,465.00	\$11,737.00	\$255,333.00
SALINE	\$5,193.50	\$4,032.00	\$42,874.00	\$911,856.00	\$11,828.00	\$36,991.00	\$39,710.00	\$58,518.00	\$1,111,002.50
SCOTT	\$74.00	\$28.00	\$1,965.00	\$80,982.00	\$856.00	\$3,176.00	\$1,897.00	\$4,781.00	\$93,759.00
SEARCY	\$234.00	\$471.50	\$1,961.00	\$62,046.00	\$522.00	\$1,851.00	\$1,486.00	\$3,145.00	\$71,716.50
SEBASTIAN	\$21,336.00	\$5,371.00	\$11,642.00	\$616,743.00	\$13,164.00	\$46,941.00	\$30,574.00	\$68,830.00	\$814,601.00
SEVIER	\$3,261.00	\$476.50	\$1,872.00	\$120,200.00	\$1,114.00	\$4,602.00	\$1,799.00	\$6,061.00	\$139,385.50
SHARP	\$526.00	\$210.00	\$12,716.00	\$188,658.00	\$1,700.00	\$5,604.00	\$6,068.00	\$9,213.00	\$224,695.00
STONE	\$1,548.00	\$206.50	\$3,523.00	\$89,326.00	\$1,432.00	\$2,788.00	\$3,291.00	\$4,882.00	\$106,996.50
UNION	\$44,705.50	\$21,178.00	\$12,765.00	\$766,415.00	\$5,938.00	\$17,675.00	\$10,084.00	\$27,568.00	\$906,328.50
VAN BUREN	\$1,458.00	\$240.00	\$9,391.00	\$137,871.00	\$1,518.00	\$5,044.00	\$4,563.00	\$7,890.00	\$167,975.00
WASHINGTON	\$17,504.50	\$5,913.00	\$25,273.00	\$1,172,114.00	\$16,576.00	\$65,857.00	\$39,820.00	\$97,783.00	\$1,440,840.50
WHITE	\$5,381.00	\$3,780.50	\$45,780.00	\$883,981.00	\$8,252.00	\$20,496.00	\$21,699.00	\$30,256.00	\$1,019,625.50
WOODRUFF	\$2,614.50	\$626.00	\$228.00	\$78,835.00	\$778.00	\$2,252.00	\$2,266.00	\$3,540.00	\$91,139.50
YELL	\$386.50	\$80.00	\$6,199.00	\$181,042.00	\$1,620.00	\$5,623.00	\$5,766.00	\$8,658.00	\$209,374.50

GRAND TOTALS	*Cash 3	*Cash 4	*Fast Play	*Instants	*Lucky for Life	*Mega Millions	*Natural State Jackpot	*Powerball	*Totals
	\$567,277.00	\$311,422.50	\$812,603.00	\$27,687,729.00	\$317,674.00	\$1,025,401.00	\$845,671.00	\$1,554,152.00	\$33,121,929.50

*Estimates

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Total Number of Active Retailers
June 2015**

There were 1,899 active retailers as of June 30, 2015.

Office of the Arkansas Lottery
(a division of Arkansas Department of Finance and Administration)
Statement of Net Position
June 30, 2015

ASSETS

Current assets:	
Cash and Cash Equivalents	\$ 2,500,393.46
Restricted Assets:	
Cash and cash equivalents	22,971,637.10
Accounts receivable	12,270,723.32
Prepaid items	<u>23,895.20</u>
Total current assets	<u>37,766,649.08</u>
Non-current assets:	
Restricted assets:	
Cash and cash equivalents	20,113,582.34
Deposits with Multi-State Lottery Association	1,762,386.37
Capital assets:	
Equipment	621,188.94
Leasehold Improvements	492,795.71
Less accumulated depreciation	<u>(890,806.73)</u>
Total non-current assets	<u>22,099,146.63</u>
Total assets	<u>\$ 59,865,795.71</u>

LIABILITIES

Current liabilities:	
Accounts payable	\$ 497,859.15
Prizes payable	19,528,702.41
Accrued and other liabilities	1,712,500.52
Due to other funds of the State	468,159.99
Payable to Arkansas Department of Higher Education	21,965,770.61
Compensated absences	313,954.05
Unearned revenue	<u>295,300.30</u>
Total current liabilities	<u>44,782,247.03</u>
Long-Term liabilities:	
Net other post employment benefits	<u>1,626,507.76</u>
Total long-term liabilities	<u>1,626,507.76</u>
Total liabilities	<u>46,408,754.79</u>

NET POSITION

Net position:	
Invested in capital assets	223,177.92
Restricted for:	
Scholarship shortfall reserve trust fund	20,000,000.00
Retailer fidelity fund	113,582.34
Deposits with Multi-State Lottery Assn.	1,762,386.37
Unclaimed prizes reserve	1,000,000.00
Unrestricted	<u>(9,642,105.71)</u>
Total net position	<u>13,457,040.92</u>
Total liabilities & net position	<u>\$ 59,865,795.71</u>

Office of the Arkansas Lottery
(a division of Arkansas Department of Finance and Administration)
Statement of Revenues, Expenses, and Change in Net Position
For Year Ended June 30, 2015

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 28,306,198.00	\$ 335,000,612.50
Online ticket sales	5,467,377.00	73,662,767.50
Retailer application, fidelity and service fees	41,524.04	550,951.86
Other revenue	460.55	20,343.70
	<u>33,815,559.59</u>	<u>409,234,675.56</u>
Operating expenses:		
Instant game prizes	20,193,535.71	241,758,219.86
Online game prizes	2,809,078.92	38,708,573.93
Retailer commissions	2,024,105.56	23,253,196.43
Gaming contract costs	1,637,003.74	20,617,527.26
Compensation and benefits	569,440.70	5,762,446.60
Marketing, advertising and promotions	575,799.24	5,032,316.64
General and administrative expenses	99,819.28	1,271,440.51
Services provided by ADHE	(237,500.00)	450,000.00
Services provided by Legislative Audit Agency	-	129,959.99
Legal and professional services	306.87	12,528.39
Depreciation	14,288.31	158,362.89
	<u>27,685,878.33</u>	<u>337,154,572.50</u>
Total operating expenses		
	<u>27,685,878.33</u>	<u>337,154,572.50</u>
Operating income	6,129,681.26	72,080,103.06
Non-operating revenue (expense):		
Interest income	21,087.30	224,546.14
	<u>21,087.30</u>	<u>224,546.14</u>
Income before transfers	6,150,768.56	72,304,649.20
Transfers to:		
Education Trust Account	(8,278,928.14)	(72,450,245.62)
Shortfall Account to Trust Account for ADHE		
Arkansas Department of Human Services		(200,000.00)
	<u>(8,278,928.14)</u>	<u>(72,450,245.62)</u>
Change in net position	<u>\$ (2,128,159.58)</u>	<u>(345,596.42)</u>
Total net position - beginning		<u>13,802,637.34</u>
Total net position - ending		<u>\$ 13,457,040.92</u>

Office of the Arkansas Lottery
(a division of Arkansas Department of Finance and Administration)
Statement of Revenues and Expenses
For Year Ended June 30, 2015

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating Revenues										
Instant Games	\$ 28,306,198.00	83.71	\$ 25,211,419.89	78.43	\$ 3,094,778.11	\$ 335,000,612.50	81.86	\$ 331,675,759.31	79.58	\$ 3,324,853.19
On-Line Games	5,467,377.00	16.17	6,885,458.11	21.42	(1,418,081.11)	73,662,767.50	18.00	84,524,240.69	20.28	(10,861,473.19)
Retailer application, fidelity	41,524.04	0.12	47,000.00	0.15	(5,475.96)	550,951.86	0.13	560,000.00	0.13	(9,048.14)
Other Revenue	460.55	0.00	900.00	0.00	(439.45)	20,343.70	0.00	10,000.00	0.00	10,343.70
Total Operating Revenues	33,815,559.59	100.00	32,144,778.00	100.00	1,670,781.59	409,234,675.56	100.00	416,770,000.00	100.00	(7,535,324.44)
Operating Expenses										
Instant Game Prizes	20,193,535.71	59.72	17,930,599.20	55.78	2,262,936.51	241,758,219.86	59.08	236,178,565.62	56.67	5,579,654.24
On-Line Game Prizes	2,809,078.92	8.31	3,622,588.80	11.27	(813,509.88)	38,708,573.93	9.46	44,669,534.38	10.72	(5,960,960.45)
Retailer Commissions	2,024,105.56	5.99	1,797,430.00	5.59	226,675.56	23,263,196.43	5.68	23,307,262.00	5.59	(54,065.57)
Gaming Contract Costs	1,637,003.74	4.84	1,581,014.00	4.92	55,989.74	20,617,527.26	5.04	20,500,985.00	4.92	116,542.26
Staff Compensation & Benefits	569,440.70	1.68	689,968.00	2.15	(120,517.30)	5,762,446.60	1.41	6,450,000.00	1.55	(687,553.40)
Marketing, Advertising & Promo	575,799.24	1.70	416,667.00	1.30	159,132.24	5,032,316.64	1.23	5,000,000.00	1.20	32,316.64
General and administrative exp	99,819.28	0.30	114,166.00	0.36	(14,346.72)	1,271,440.51	0.31	1,420,000.00	0.34	(148,559.49)
Services Provided by Other Age	(237,500.00)	(0.70)	66,667.00	0.21	(304,167.00)	579,959.99	0.14	800,000.00	0.19	(220,040.01)
Legal and Professional Service	306.87	0.00	800.00	0.00	(493.13)	12,528.39	0.00	10,000.00	0.00	2,528.39
Capital asset depreciation	14,288.31	0.04	17,600.00	0.05	(3,311.69)	158,362.89	0.04	210,000.00	0.05	(51,637.11)
Total Operating Expenses	27,685,878.33	81.87	26,237,490.00	81.62	1,448,388.33	337,154,572.50	82.39	338,546,347.00	81.23	(1,391,774.50)
Operating Income	6,129,681.26	18.13	5,907,288.00	18.38	222,393.26	72,080,103.06	17.61	78,223,653.00	18.77	(6,143,549.94)
Interest Income	21,087.30	0.06	11,667.00	0.04	9,420.30	224,546.14	0.05	140,000.00	0.03	84,546.14
Non-Operating Revenue (Expense)										
Income before transfers	\$ 6,150,768.56	18.19	\$ 5,918,955.00	18.41	\$ 231,813.56	\$ 72,304,649.20	17.67	\$ 78,363,653.00	18.80	\$ (6,059,003.80)

Office of the Arkansas Lottery
(a division of Arkansas Department of Finance and Administration)
Net Proceeds Transfer to Ed Trust Computation
Modified Cash Basis
For Year Ended June 30, 2015

	Year to date
Operating revenues:	
Instant ticket SETTLEMENTS	\$ 333,606,023.50
Online ticket sales	73,662,767.50
Retailer application, fidelity and service fees	550,951.86
Other revenue	<u>20,343.70</u>
Total operating revenues	<u>407,840,086.56</u>

Operating expenses:	
Instant game prizes SETTLEMENTS	240,347,036.04
Online game prizes	38,708,573.93
Retailer commissions	23,253,196.43
Gaming contract costs	20,617,527.26
Compensation and benefits	5,762,446.60
Marketing, advertising and promotions	5,032,316.64
General and administrative expenses	1,271,440.51
Services provided by ADHE	450,000.00
Services provided by Legislative Audit Agency	129,959.99
Legal and professional services	12,528.39
Current year Capital Asset cost	<u>138,604.80</u>
Total operating expenses	<u>335,723,630.59</u>

Change in net proceeds from operations 72,116,455.97

Nonoperating revenue (expense):	
Interest Income	224,546.14
Other Non Operating income	0.00
EDUCATION TRUST FUNDING-Current Year	(64,171,317.48)
Less Act 1180 Unclaimed Prizes	
Less Transfer to ADHS	(200,000.00)
Less Current year Fidelity Fund fees	(22,449.32) restricted fund
Less Current year MUSL Reserves (additions) / reductions	31,692.83 see 23-115-103(17) and (19)(A)&(B)
Add OPEB expense in Comp and Benefits	<u>300,000.00</u>

NET PROCEEDS EARNED-Current Month **\$ 8,278,928.14**

	Transfer	Interest	Total
Totals	<u>\$ 21,062,218.78</u>	<u>\$ 903,551.83</u>	<u>\$ 21,965,770.61</u>
April 2014 funding - 5/15/14	\$ 7,475,645.50	\$ 505.34	\$ 7,476,150.84
May 2014 funding - 6/15/14	\$ 6,509,958.59	\$ 3,286.80	\$ 6,513,245.39
June 2014 funding - 7/15/14	\$ 11,921,510.53	\$ 6,103.45	\$ 11,927,613.98
ADHE Refund for excess funding 7/18/14	\$ 2,319,467.65	\$	\$ 2,319,467.65
July 2014 funding - 8/15/14	\$ 5,917,170.44	\$ 11,277.55	\$ 5,928,447.99
August 2014 funding - 9/15/15	\$ 5,282,380.92	\$ 14,584.88	\$ 5,296,965.80
June 2014 Audit Adjustments funding - 9/10/14	\$ 30,888.58	\$	\$ 30,888.58
September transfer to ADHE 9/11/14	\$ (40,000,000.00)	\$	\$ (40,000,000.00)
September 2014 funding - 10/15/14	\$ 4,310,517.64	\$ 6,709.46	\$ 4,317,227.10
October transfer to ADHE 10/15/14	\$ (5,000,000.00)	\$	\$ (5,000,000.00)
October 2014 funding - 11/15/14	\$ 5,939,388.01	\$ 237.58	\$ 5,939,625.59
November 2014 funding - 12/15/14	\$ 5,575,489.06	\$ 1,546.10	\$ 5,577,035.16
December 2014 funding - 1/15/15	\$ 5,469,403.21	\$ 4,915.56	\$ 5,474,318.77
January 2015 funding - 2/15/15	\$ 7,280,972.70	\$ 6,800.58	\$ 7,287,773.28
February transfer to ADHE 2/12/15	\$ (35,000,000.00)	\$	\$ (35,000,000.00)
Transfer from Shortfall Reserve 2/10/15	\$ 10,663,081.32	\$	\$ 10,663,081.32
February 2015 funding - 3/15/15	\$ 6,157,718.14	\$ 3,624.87	\$ 6,161,343.01
February transfer to Shortfall Reserve 3/15/15	\$ (6,161,343.01)	\$	\$ (6,161,343.01)
March 2015 funding - 4/15/15	\$ 6,898,523.80	\$ 0.55	\$ 6,898,524.35
March transfer to Shortfall Reserve 4/15/15	\$ (4,501,738.31)	\$	\$ (4,501,738.31)
April 2015 funding - 5/15/15	\$ 5,880,247.51	\$ 758.44	\$ 5,881,005.95
May 2015 funding - 6/15/15	\$ 5,406,407.87	\$ 2,642.61	\$ 5,409,050.48
June 2015 funding - 7/15/15	\$ 8,273,061.65	\$ 5,866.49	\$ 8,278,928.14

Office of the Arkansas Lottery
(a division of Arkansas Department of Finance and Administration)
Unclaimed Prizes
June 30, 2015

	Monthly	Year to Date
Reserve Balance July 1, 2014		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 556,740.74	5,241,114.73
2. Expenditures from unclaimed lottery prize money:		218,164.93
3. Reserved for future prizes, promotions or reserves:	556,740.74	5,022,949.80
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:	5,022,949.80	5,022,949.80
Reserve Balance June 30, 2015		\$1,000,000.00

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

**MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
June 1 through June 30, 2015**

Vendors	Goods or Services	Diversity Classification	June 2015	FY 2015 Total
A-Absolute Moving & Hauling	Trucking/Hauling	Minority-owned		\$669.90
Goddess Products	Office Furniture/Supplies	Minority-owned	\$3,550.74	\$34,697.31
Government Supply Services	Office Products	Minority-owned	\$253.74	\$1,732.75
Northeast Arkansas Cleaning Service	Janitorial Services	Female-owned		\$1,215.35
Ride N Shine Detail	Auto Servicing	Minority-owned		\$54.50
Trivia Marketing	Advertising/Public Relations	Female-owned		\$253.05
Totals			\$3,804.48	\$38,622.86

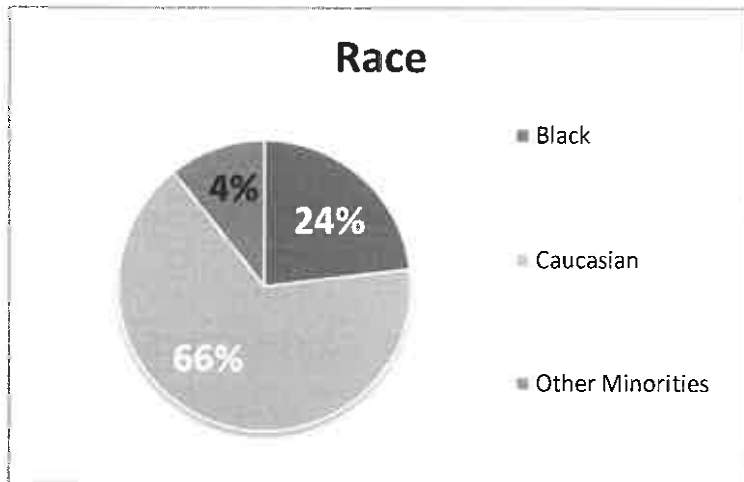
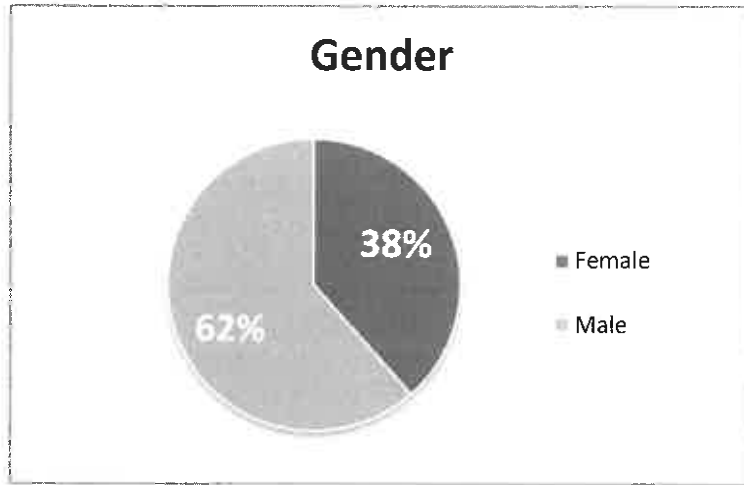
**INTRALOT MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
June 1 through June 30, 2015**

Vendors	Goods or Services	Diversity Classification	June 2015	FY 2015 Total
Goddess Products	Office Furniture/Supplies	Minority-owned		\$1,454.60
J Kelly Referrals and Information Services	Call Center/Information Services	Minority-owned	\$10,194.42	\$129,033.04
Totals			\$10,194.42	\$130,487.64

**SCIENTIFIC GAMES MINORITY- AND FEMALE-OWNED DIVERSITY COMPLIANCE REPORT
June 1 through June 30, 2015**

Vendors	Goods or Services	Diversity Classification	June 2015	FY 2015 Total
Expedited Transportation Service	Transportation Services	Female-owned	\$1,232.56	\$24,001.58
Mr. Klean Carpet and Janitorial Service	Janitorial Services	Minority-owned	\$363.30	\$5,199.50
Premier Staffing	Staffing Services	Female-owned	\$3,056.44	\$33,545.75
Totals			\$4,652.30	\$62,746.83

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Demographics – June 2015**



Total Number of Employees as of June 30, 2015: 65

Gender:

Females – 25
Males – 40

Race:

Black – 15
Caucasian – 43
Other – 7

Female -- 8	Male -- 7
Female -- 16	Male -- 27
Female -- 4	Male -- 3

**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 to the Director of the Department of Finance and Administration for the reporting period.

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Instant & Fast Play Games
June 2015

Sales for the following instant games began June 2, 2015. No ending dates have been determined for these games.

\$1 Lucky 7's

\$2 Red, Hot and Blue 7's

\$5 7's

\$10 Majestic 7's

Sales for the following instant games began June 30, 2015. No ending dates have been determined for these games.

\$1 Natural State Limited

\$2 Triple Play

\$3 Ca\$ino Ca\$h

\$5 The Big \$5 Ticket

Sales for the following Fast Play games began June 1, 2015. No ending dates have been determined for this game.

\$3 Stars & Stripes