



# VIRGINIA LOTTERY MEGA MILLIONS

## REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE PERIOD

APRIL 1, 2020 THROUGH MARCH 31, 2021

Auditor of Public Accounts  
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Auditor of Public Accounts

# Commonwealth of Virginia

*Auditor of Public Accounts*

P.O. Box 1295  
Richmond, Virginia 23218

June 29, 2021

Members of the Virginia Lottery Board  
600 East Main Street  
Richmond, Virginia

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the Virginia Lottery and the other member lotteries in the states of California, Georgia, Illinois, Massachusetts, Maryland, Michigan, New Jersey, Ohio, and Washington (referred to as the "Member Lotteries"), which operate **Mega Millions**, solely to assist the Virginia Lottery and Member Lotteries with respect to the evaluation of the following financial information associated with Mega Millions: Virginia Lottery's sales and prize expense for the period April 1, 2020, through March 31, 2021, and the Virginia Lottery's receivable as of March 31, 2021. Virginia Lottery is responsible for its records of the financial information associated with Mega Millions. The sufficiency of the procedures is solely the responsibility of the Virginia Lottery and Member Lotteries. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed and our findings are as follows:

- A. We obtained from the Virginia Lottery the "Draw Activity" and the "Fixed Prize Analysis" reports for the period April 1, 2020, through March 31, 2021, and attached those as Exhibits I and II, respectively. We verified the mathematical accuracy of the schedules.
- B. We randomly selected the following five Mega Millions drawings from the period April 1, 2020, through March 31, 2021, and tested as indicated in "C," "D," and "E" below.

May 19, 2020  
August 28, 2020  
November 27, 2020

February 12, 2021  
March 19, 2021

- C. For each draw date selected in step “B” above, we compared the total amount of sales as shown on the daily sales report produced by the Virginia Lottery’s gaming system and the total amount of sales shown on the related daily sales report produced by the Virginia Lottery Internal Control System (ICS) with the balance listed in the “Sales” column for the respective draw date on the “Draw Activity” report attached as Exhibit I and found them to be in agreement.
- D. We calculated the total dollar amount of the fixed prizes for the draw dates selected in step “B” above, based on the total number of winners from the Virginia Lottery’s gaming system for each prize level and the prize structure of Mega Millions’ fixed prizes (as defined in the official game rules). We compared the calculated expense with the amount listed in the “Actual Fixed Prizes” column for the respective draw date on the “Draw Activity” report attached as Exhibit I and found them to be in agreement.
- E. For each draw date selected in step “B” above, we compared the amount of sales, actual fixed prizes, and share of fixed prizes shown on the “Draw Activity” report attached as Exhibit I to the amounts shown on the applicable Mega Millions Prize Settlement Reports and found them to be in agreement.
- F. We compared the amounts shown as the total of the actual fixed prizes and the total of the share of fixed prizes on the “Draw Activity” report attached as Exhibit I to the applicable amounts shown on the “Fixed Prize Analysis” report attached as Exhibit II and found them to be in agreement.
- G. For each draw date selected in step “B” above, if there were Prize Tier (2) Two prizes won in the Virginia Lottery, we confirmed that the win was claimed and paid.
- H. There were no amounts listed in the “Cash Options Amount” column of the “Draw Activity” report attached as Exhibit I; therefore, no work was performed.
- I. There were no investments purchased associated with jackpot prizes; therefore, no work was performed.
- J. We compared the total of the quarterly transfers to/from the Virginia Lottery for settlement of the fixed prize liability as shown in the Virginia Lottery’s cash disbursement subsidiary records to the amount listed in the “Qtrly/Yrly Settlements Transfers In/(Out)” column on the “Fixed Prize Analysis” report attached as Exhibit II and found them to be in agreement.
- K. We compared the balance listed as the Virginia Lottery’s receivable as of March 31, 2021, for the fixed prizes as shown on the “Fixed Prize Analysis” report attached as Exhibit II to the Virginia Lottery’s financial accounting records and to the Mega Millions Prize Settlement Report as of March 31, 2021, and found them to be in agreement.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. These agreed-upon procedures do not constitute an audit of financial statements or any part thereof, the objective of which is the expression of an opinion on the financial statements or a part thereof. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Virginia Lottery and Member Lotteries, as specified above, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Staci A. Henshaw  
AUDITOR OF PUBLIC ACCOUNTS

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**Mega Millions**  
**Virginia Lottery Draw Activity**  
**From April 2020 through March 2021**

Exhibit I

Draw Date	Sales	Just The Jackpot	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
4/3/2020	\$ 575,912	\$ 888	\$ 38,842	\$ 42,030	\$ -	\$ -
4/7/2020	532,592	924	33,358	36,698	-	-
4/10/2020	597,187	1,023	51,730	54,886	-	-
4/14/2020	598,941	1,059	52,858	52,996	-	-
4/17/2020	700,151	1,155	61,400	158,492	-	-
4/21/2020	679,981	1,281	46,514	154,006	-	-
4/24/2020	729,888	1,200	49,962	54,600	-	-
4/28/2020	723,340	1,218	60,934	57,460	-	-
5/1/2020	870,409	1,317	63,104	67,436	-	-
5/5/2020	851,884	1,476	78,630	81,679	-	-
5/8/2020	923,049	1,569	76,104	76,768	-	-
5/12/2020	911,262	1,602	80,816	83,269	-	-
5/15/2020	971,754	1,596	81,448	79,878	-	-
5/19/2020	963,895	1,581	80,984	275,563	-	-
5/22/2020	1,067,274	1,812	87,324	87,165	-	-
5/26/2020	1,057,972	1,656	79,376	81,752	-	-
5/29/2020	1,183,537	2,193	108,318	284,251	-	-
6/2/2020	1,188,019	2,139	131,452	216,459	-	-
6/5/2020	1,267,883	2,199	108,720	184,701	-	-
6/9/2020	1,510,050	2,640	193,834	623,113	-	-
6/12/2020	659,430	1,020	45,002	51,621	-	-
6/16/2020	607,152	930	50,744	162,335	-	-
6/19/2020	632,116	876	57,934	60,269	-	-
6/23/2020	615,623	789	1,044,730	156,802	-	-
6/26/2020	658,202	858	61,864	163,144	-	-
6/30/2020	644,979	975	56,540	166,907	-	-
7/3/2020	713,688	996	44,896	49,746	-	-
7/7/2020	667,415	1,005	47,892	53,250	-	-
7/10/2020	713,134	900	49,568	55,369	-	-
7/14/2020	692,003	1,035	47,220	55,294	-	-
7/17/2020	763,686	1,008	57,062	159,239	-	-
7/21/2020	721,647	1,167	55,118	61,256	-	-
7/24/2020	777,643	1,257	77,412	164,810	-	-

**Mega Millions  
Virginia Lottery Draw Activity  
From April 2020 through March 2021**

Exhibit I

Draw Date	Sales	Just The Jackpot	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
7/28/2020	562,504	876	53,624	155,691	-	-
7/31/2020	590,599	939	41,992	43,449	-	-
8/4/2020	540,534	714	36,282	145,576	-	-
8/7/2020	583,228	690	47,756	46,985	-	-
8/11/2020	551,887	729	49,460	52,862	-	-
8/14/2020	602,300	642	64,166	58,166	-	-
8/18/2020	591,884	696	63,310	51,338	-	-
8/21/2020	651,090	804	48,094	160,628	-	-
8/25/2020	628,639	801	55,418	61,357	-	-
8/28/2020	672,266	822	51,632	54,062	-	-
9/1/2020	661,039	807	47,632	47,180	-	-
9/4/2020	714,472	786	56,368	160,823	-	-
9/8/2020	660,661	855	64,606	58,510	-	-
9/11/2020	752,528	1,014	61,284	65,127	-	-
9/15/2020	736,244	990	60,826	156,375	-	-
9/18/2020	583,539	627	47,606	48,481	-	-
9/22/2020	559,326	804	40,680	43,209	-	-
9/25/2020	583,077	567	48,130	40,560	-	-
9/29/2020	566,761	537	38,540	40,359	-	-
10/2/2020	621,950	648	65,104	49,008	-	-
10/6/2020	592,778	726	44,466	42,549	-	-
10/9/2020	635,271	699	69,154	65,057	-	-
10/13/2020	595,007	765	42,264	47,466	-	-
10/16/2020	653,489	657	51,574	52,487	-	-
10/20/2020	632,080	750	45,582	51,408	-	-
10/23/2020	678,946	756	46,560	51,563	-	-
10/27/2020	669,192	930	76,478	56,135	-	-
10/30/2020	727,228	948	62,786	165,480	-	-
11/3/2020	716,155	1,077	72,800	57,389	-	-
11/6/2020	718,872	966	54,574	60,535	-	-
11/10/2020	705,209	1,101	55,760	156,520	-	-
11/13/2020	770,132	1,020	102,338	89,160	-	-
11/17/2020	736,364	978	1,051,472	152,993	-	-

**Mega Millions  
Virginia Lottery Draw Activity  
From April 2020 through March 2021**

Exhibit I

Draw Date	Sales	Just The Jackpot	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
11/20/2020	790,095	1,089	57,714	57,025	-	-
11/24/2020	843,465	1,131	72,606	70,528	-	-
11/27/2020	808,134	1,026	85,730	172,285	-	-
12/1/2020	871,223	1,293	64,640	66,213	-	-
12/4/2020	923,523	1,191	79,428	176,850	-	-
12/8/2020	916,787	1,311	86,556	164,933	-	-
12/11/2020	960,398	1,272	68,590	72,671	-	-
12/15/2020	1,004,259	1,527	98,278	287,008	-	-
12/18/2020	1,073,553	1,461	91,716	94,759	-	-
12/22/2020	1,205,144	1,662	88,062	93,706	-	-
12/25/2020	1,276,125	1,959	112,376	98,645	-	-
12/29/2020	1,460,315	2,409	105,652	112,218	-	-
1/1/2021	1,809,855	2,991	165,198	159,584	-	-
1/5/2021	2,564,411	3,777	197,392	302,544	-	-
1/8/2021	3,410,632	5,616	309,116	597,479	-	-
1/12/2021	4,672,767	7,515	465,716	780,433	-	-
1/15/2021	6,439,892	9,990	546,988	936,409	-	-
1/19/2021	7,147,300	10,902	566,948	961,758	-	-
1/22/2021	10,690,759	18,393	1,889,350	1,160,173	-	-
1/26/2021	959,604	2,058	66,720	71,351	-	-
1/29/2021	898,083	1,491	89,774	184,181	-	-
2/2/2021	813,198	1,158	72,892	64,582	-	-
2/5/2021	906,287	1,311	78,686	82,687	-	-
2/9/2021	820,723	1,203	90,020	85,160	-	-
2/12/2021	862,497	1,131	1,103,476	297,750	-	-
2/16/2021	797,263	1,179	62,862	65,541	-	-
2/19/2021	660,273	891	50,740	53,362	-	-
2/23/2021	654,325	903	64,104	83,997	-	-
2/26/2021	704,532	984	64,844	64,391	-	-
3/2/2021	677,109	951	50,314	52,394	-	-
3/5/2021	716,487	849	59,780	65,657	-	-
3/9/2021	701,066	930	55,936	60,879	-	-
3/12/2021	733,001	897	53,210	57,079	-	-

**Mega Millions  
Virginia Lottery Draw Activity  
From April 2020 through March 2021**

Exhibit I

Draw Date	Sales	Just The Jackpot	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
3/16/2021	722,807	945	55,972	58,850	-	-
3/19/2021	822,043	1,083	64,996	70,592	-	-
3/23/2021	804,907	1,155	77,936	72,937	-	-
3/26/2021	833,308	1,188	61,978	171,247	-	-
3/30/2021	870,917	1,347	64,600	71,799	-	-
<b>Total</b>	<b>\$111,844,016</b>	<b>\$168,234</b>	<b>\$13,520,904</b>	<b>\$14,801,389</b>	<b>\$ -</b>	<b>\$ -</b>



**Mega Millions**  
**Virginia Lottery Fixed Prize Analysis**  
**From April 2020 through March 2021**

Exhibit II

State	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In(Out)	Receivable (Payable)
Georgia	\$ (181,352)	\$ 19,294,528	\$ 19,182,358	\$ 477,702	\$(546,884)
Illinois	835,396	19,150,234	19,237,891	1,255,019	(507,280)
Massachusetts	(1,001,829)	10,714,218	13,671,799	(4,633,340)	673,930
Maryland	(914,398)	11,017,200	12,743,086	(2,215,202)	(425,082)
Michigan	(372,255)	18,881,156	20,152,305	(2,113,371)	469,967
New Jersey	194,307	28,545,034	25,751,282	3,604,334	(616,275)
Ohio	25,515	18,346,248	17,700,094	94,726	576,943
Virginia	995,395	13,520,904	14,801,389	(844,125)	559,035
Washington	419,221	12,411,462	8,640,780	4,374,257	(184,354)
<b>Total</b>	<b>\$ -</b>	<b>\$151,880,984</b>	<b>\$151,880,984</b>	<b>\$ -</b>	<b>\$ -</b>