



VIRGINIA LOTTERY
POWER PLAY

REPORT ON APPLYING
AGREED-UPON PROCEDURES
FOR THE PERIOD
APRIL 2013 THROUGH MARCH 2014

Auditor of Public Accounts
Martha S. Mavredes, CPA
www.apa.virginia.gov
(804) 225-3350





Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

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

Independent Auditor'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 Georgia, Illinois, Maryland, Massachusetts, Michigan, New Jersey, New York, Ohio, Texas, and Washington (referred to as the "Member Lotteries"), which operate Power Play, solely to assist the Virginia Lottery and Member Lotteries with respect to the evaluation of the following financial information associated with Power Play: Virginia Lottery's sales and prize expense for the period April 2013 through March 2014, and the Virginia Lottery's receivable or payable as of March 2014. Virginia Lottery is responsible for its records of financial information associated with Power Play. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 agreed-upon 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 2013 through March 2014 and attached those as Exhibits I and II, respectively. We verified the mathematical accuracy of the schedules.
- B. We randomly selected the following five Power Play draw dates from the period April 2013 through March 2014 for testing as indicated in "C," "D," and "E" below.

April 10, 2013
December 21, 2013
February 19, 2014

May 8, 2013
December 25, 2013

- C. For each Power Play 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 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 the Power Play’s 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 Power Play Settlement Reports and found them to be in agreement.
- F. For the period identified in step “B” above, we randomly selected two months and obtained the “Expired Prize Settlement Report” distributed by the Virginia Lottery. For the two months selected, we obtained the actual fixed prizes awarded from the Virginia Lottery ICS and the prizes unclaimed from Virginia Lottery’s financial accounting records. We compared this data back to the data reported from the Virginia Lottery for each draw of the subject months and found them to be in agreement.
- G. We compared the amounts shown as the total of the actual fixed prizes and the total of the shared 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.
- H. We compared the total of the quarterly transfers to/from the Virginia Lottery for settlement of the shared 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.
- I. We compared the balance listed as the Virginia Lottery’s payable as of March 2014 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 Power Play Prize Settlement Report as of March 2014 and found them to be in agreement.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified financial information associated with Power Play. 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.

AUDITOR OF PUBLIC ACCOUNTS

AC/alh

**POWER PLAY
VIRGINIA LOTTERY
VIRGINIA DRAW ACTIVITY
From April 2013 to March 2014**

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
4/3/2013	\$ 57,283	\$ 17,643	\$ 21,559	-	-
4/6/2013	66,310	18,225	102,683	-	-
4/10/2013	58,955	14,061	14,070	-	-
4/13/2013	67,953	16,508	17,941	-	-
4/17/2013	61,807	1,015,323	178,706	-	-
4/20/2013	70,242	17,681	20,262	-	-
4/24/2013	71,270	18,624	17,526	-	-
4/27/2013	82,216	22,192	24,272	-	-
5/1/2013	82,199	51,103	25,228	-	-
5/4/2013	95,444	25,520	32,349	-	-
5/8/2013	103,428	26,867	107,502	-	-
5/11/2013	122,225	30,967	40,637	-	-
5/15/2013	214,904	50,724	68,014	-	-
5/18/2013	537,228	152,420	250,535	-	-
5/22/2013	55,991	13,302	92,466	-	-
5/25/2013	65,890	48,884	33,884	-	-
5/29/2013	54,099	12,653	12,546	-	-
6/1/2013	64,733	14,957	20,676	-	-
6/5/2013	57,367	12,948	12,814	-	-
6/8/2013	67,112	19,083	24,000	-	-
6/12/2013	59,285	13,801	13,681	-	-
6/15/2013	67,948	45,321	18,051	-	-
6/19/2013	65,054	46,813	19,118	-	-
6/22/2013	75,501	19,932	21,781	-	-
6/26/2013	51,526	12,335	13,325	-	-
6/29/2013	60,933	14,795	14,696	-	-
7/3/2013	57,428	15,297	19,670	-	-
7/6/2013	60,503	17,065	16,511	-	-
7/10/2013	57,890	14,195	16,984	-	-
7/13/2013	67,176	17,629	19,907	-	-
7/17/2013	64,952	17,258	17,122	-	-
7/20/2013	76,143	19,378	96,498	-	-
7/24/2013	73,652	21,534	23,090	-	-
7/27/2013	88,936	22,307	24,870	-	-
7/31/2013	108,522	29,626	33,159	-	-
8/3/2013	155,527	36,327	118,241	-	-

POWER PLAY
VIRGINIA LOTTERY
VIRGINIA DRAW ACTIVITY
From April 2013 to March 2014

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
8/7/2013	331,566	77,303	162,172	-	-
8/10/2013	56,743	16,116	21,085	-	-
8/14/2013	56,975	14,852	16,905	-	-
8/17/2013	66,915	17,050	19,837	-	-
8/21/2013	61,550	14,662	23,115	-	-
8/24/2013	71,329	18,795	21,076	-	-
8/28/2013	69,538	20,807	26,133	-	-
8/31/2013	84,785	22,034	105,480	-	-
9/4/2013	79,292	23,472	22,028	-	-
9/7/2013	98,767	27,181	101,227	-	-
9/11/2013	99,451	24,794	36,926	-	-
9/14/2013	131,539	32,581	33,089	-	-
9/18/2013	215,525	87,982	79,873	-	-
9/21/2013	58,002	16,264	19,249	-	-
9/25/2013	54,874	44,386	22,016	-	-
9/28/2013	62,826	16,511	16,776	-	-
10/2/2013	58,971	15,746	20,409	-	-
10/5/2013	67,766	49,121	28,993	-	-
10/9/2013	65,178	18,150	17,445	-	-
10/12/2013	76,964	19,293	19,347	-	-
10/16/2013	73,425	18,443	18,189	-	-
10/19/2013	82,655	22,005	22,601	-	-
10/23/2013	83,753	23,378	26,378	-	-
10/26/2013	57,983	13,859	19,807	-	-
10/30/2013	51,163	13,931	13,176	-	-
11/2/2013	62,964	16,731	26,717	-	-
11/6/2013	56,161	45,392	27,335	-	-
11/9/2013	62,312	14,467	14,445	-	-
11/13/2013	58,820	15,458	15,115	-	-
11/16/2013	68,364	18,477	19,949	-	-
11/20/2013	49,126	44,964	21,185	-	-
11/23/2013	56,897	15,047	19,807	-	-
11/27/2013	55,134	14,112	14,297	-	-
11/30/2013	57,646	14,427	14,961	-	-
12/4/2013	58,065	45,559	20,146	-	-
12/7/2013	70,483	18,926	21,103	-	-

POWER PLAY
VIRGINIA LOTTERY
VIRGINIA DRAW ACTIVITY
From April 2013 to March 2014

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
12/11/2013	65,171	47,381	22,896	-	-
12/14/2013	65,827	14,869	17,788	-	-
12/18/2013	63,042	14,851	14,786	-	-
12/21/2013	53,862	14,604	14,397	-	-
12/25/2013	47,244	10,329	10,872	-	-
12/28/2013	49,634	12,149	90,275	-	-
1/1/2014	47,152	11,940	14,517	-	-
1/4/2014	52,569	13,171	13,200	-	-
1/8/2014	47,954	11,821	14,001	-	-
1/11/2014	52,972	10,997	14,124	-	-
1/15/2014	52,002	44,572	23,309	-	-
1/18/2014	61,189	16,633	20,415	-	-
1/22/2014	54,050	20,228	23,250	-	-
1/25/2014	70,132	10,405	10,816	-	-
1/29/2014	59,942	8,241	10,089	-	-
2/1/2014	83,096	16,578	160,088	-	-
2/5/2014	81,931	22,806	25,039	-	-
2/8/2014	97,057	14,481	16,456	-	-
2/12/2014	98,066	13,826	14,329	-	-
2/15/2014	114,962	41,154	119,084	-	-
2/19/2014	247,402	66,512	156,475	-	-
2/22/2014	57,797	39,240	43,482	-	-
2/26/2014	55,788	8,238	8,200	-	-
3/1/2014	65,877	95,598	43,794	-	-
3/5/2014	52,972	10,151	9,280	-	-
3/8/2014	59,452	9,862	122,146	-	-
3/12/2014	54,640	8,682	9,651	-	-
3/15/2014	63,470	28,839	27,865	-	-
3/19/2014	61,823	9,065	10,497	-	-
3/22/2014	66,325	9,489	9,673	-	-
3/26/2014	51,778	7,277	8,349	-	-
3/29/2014	<u>61,006</u>	<u>10,663</u>	<u>10,603</u>	-	-
Total	<u>\$ 8,337,323</u>	<u>\$ 3,570,226</u>	<u>\$ 3,842,512</u>		

POWER PLAY
VIRGINIA LOTTERY
FIXED PRIZE ANALYSIS
From April 2013 to March 2014

Exhibit II

State	Receivable (Payable)	Actual Fixed Prizes	Actual Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In (Out)	Receivable (Payable)
California	\$ -	\$ -	\$ -	\$ -	\$ -
Georgia	(923,020)	1,769,381	2,669,435	(1,738,250)	(84,824)
Illinois	487,617	5,022,527	4,541,881	1,088,038	(119,775)
Massachusetts	(733,791)	2,410,433	2,169,869	(426,158)	(67,069)
Maryland	324,930	1,458,969	2,403,388	(533,216)	(86,273)
Michigan	201,201	1,660,466	2,584,677	(636,283)	(86,727)
New Jersey	(1,501,412)	3,927,133	4,578,275	(3,014,598)	862,044
New York	1,239,252	6,505,046	5,471,154	2,427,004	(153,860)
Ohio	334,119	6,374,680	5,311,573	1,564,919	(167,693)
POWERBALL					
Texas	1,222,921	14,626,420	13,281,877	2,567,464	-
Virginia	(258,676)	3,570,226	3,842,512	(468,730)	(62,232)
Washington State	(393,141)	658,196	1,128,836	(830,190)	(33,591)
Total		<u>\$ 47,983,477</u>	<u>\$ 47,983,477</u>		