



VIRGINIA LOTTERY POWERBALL

REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE PERIOD

APRIL 1, 2022 THROUGH MARCH 31, 2023

Auditor of Public Accounts
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Commonwealth of Virginia

Auditor of Public Accounts

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P.O. Box 1295
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July 21, 2023

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 on the Virginia Lottery's **Powerball** sales and prize expense records for the period April 1, 2022, through March 31, 2023, and the Virginia Lottery's related receivable or payable as of March 31, 2023, as 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 Powerball. The Virginia Lottery is responsible for its sales and prize expense records and the related receivable or payable associated with Powerball.

The Virginia Lottery has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of conducting an evaluation of the financial information associated with Virginia Lottery's operation of Powerball, for the period of April 1, 2022, through March 31, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Agreed-Upon Procedures Related to Powerball

The procedures and the associated findings are as follows:

1. We obtained from the Virginia Lottery the "Draw Activity" and the "Fixed Prize Analysis" for the period April 1, 2022, through March 31, 2023, and attached those as Exhibits I and II, respectively. We verified the mathematical accuracy of the schedules.

2. We randomly selected the following five draw dates from the period April 1, 2022, through March 31, 2023:

April 23, 2022

November 14, 2022

December 17, 2022

March 6, 2023

March 15, 2023

3. For each draw date selected in procedure “2” 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.
4. We calculated the total dollar amount of the fixed prizes for the draw dates selected in procedure “2” above, based on the total number of winners from the Virginia Lottery’s gaming system for each prize level and the prize structure of Powerball’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.
5. For each draw date selected in procedure “2” 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 Powerball Prize Settlement Reports and found them to be in agreement.
6. 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.
7. There were no Prize Tier (2) Two prizes won in the Virginia Lottery on any of the drawings selected in procedure “2” above; therefore, no work was performed.
8. We did not agree the amount listed in the “Cash Options Amount” column of the “Draw Activity” report attached as Exhibit I to the Virginia Lottery’s cash disbursement subsidiary records which summarize the funds disbursed to the prize winner because the amount listed in the “Cash Options Amount” column remained unclaimed as of March 31, 2023.
9. There were no investment purchases associated with jackpot prizes; therefore, no work was performed.

10. We compared the total of the period transfers to/from the Virginia Lottery for settlement of the fixed prize liability as shown in the Virginia Lottery's cash disbursement/cash receipt 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.
11. We compared the balance listed as the Virginia Lottery's receivable as of March 31, 2023, 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 Powerball Prize Settlement Report as of March 31, 2023, and found them to be in agreement.

We were engaged by the Virginia Lottery to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. We were not engaged to and did not conduct an audit, examination, or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on Virginia Lottery's sales and prize expense records for the period April 1, 2022, through March 31, 2023, and the Virginia Lottery's receivable or payable as of March 31, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Virginia Lottery and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

LDJ/clj

VIRGINIA LOTTERY
Powerball
Fixed Prize Analysis
From April 2, 2022, to March 29, 2023

Exhibit I

| | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|----|-----------|------------|---------------------|-----------------------|----------------------|---------------------|
| | 4/2/2022 | \$ 978,950 | \$ 84,666 | \$ 120,385 | \$ - | \$ - |
| | 4/4/2022 | 529,732 | 46,735 | 61,249 | - | - |
| | 4/6/2022 | 658,662 | 57,656 | 5,288 | - | - |
| | 4/9/2022 | 942,144 | 183,026 | 102,129 | - | - |
| | 4/11/2022 | 544,534 | 54,839 | 98,119 | - | - |
| | 4/13/2022 | 740,390 | 111,110 | 84,791 | - | - |
| | 4/16/2022 | 1,113,900 | 90,930 | 220,886 | - | - |
| | 4/18/2022 | 743,854 | 67,075 | 91,823 | - | - |
| | 4/20/2022 | 888,898 | 75,050 | 186,003 | - | - |
| | 4/23/2022 | 1,448,454 | 180,601 | 166,942 | - | - |
| | 4/25/2022 | 1,125,352 | 155,403 | 133,943 | - | - |
| PB | 4/27/2022 | 1,700,542 | 209,335 | 167,605 | - | - |
| | 4/30/2022 | 618,496 | 100,742 | 194,579 | - | - |
| | 5/2/2022 | 326,394 | 30,558 | 45,407 | - | - |
| | 5/4/2022 | 413,900 | 33,183 | 44,413 | - | - |
| | 5/7/2022 | 647,568 | 64,017 | 202,334 | - | - |
| | 5/9/2022 | 345,858 | 83,222 | 42,791 | - | - |
| | 5/11/2022 | 437,846 | 39,359 | 43,606 | - | - |
| | 5/14/2022 | 657,138 | 59,609 | 80,637 | - | - |
| | 5/16/2022 | 375,346 | 88,049 | 147,337 | - | - |
| | 5/18/2022 | 482,606 | 41,852 | 146,718 | - | - |
| | 5/21/2022 | 685,846 | 65,779 | 85,068 | - | - |
| | 5/23/2022 | 457,020 | 38,700 | 60,183 | - | - |
| | 5/25/2022 | 496,436 | 94,202 | 54,276 | - | - |
| | 5/28/2022 | 714,944 | 60,129 | 76,716 | - | - |
| | 5/30/2022 | 391,028 | 32,444 | 43,255 | - | - |
| | 6/1/2022 | 520,688 | 95,307 | 59,198 | - | - |
| | 6/4/2022 | 795,766 | 64,758 | 92,150 | - | - |
| | 6/6/2022 | 451,006 | 41,736 | 60,795 | - | - |
| | 6/8/2022 | 563,946 | 57,378 | 262,210 | - | - |
| | 6/11/2022 | 825,932 | 78,899 | 82,104 | - | - |
| | 6/13/2022 | 492,798 | 41,712 | 145,011 | - | - |
| | 6/15/2022 | 603,768 | 63,049 | 70,029 | - | - |
| | 6/18/2022 | 876,302 | 72,954 | 177,375 | - | - |
| | 6/20/2022 | 523,628 | 48,525 | 59,369 | - | - |
| | 6/22/2022 | 668,610 | 62,852 | 93,378 | - | - |
| | 6/25/2022 | 1,048,040 | 252,921 | 151,443 | - | - |

VIRGINIA LOTTERY
Powerball
Fixed Prize Analysis
From April 2, 2022, to March 29, 2023

Exhibit I

| | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|----|-----------|-----------|---------------------|-----------------------|----------------------|---------------------|
| | 6/27/2022 | 687,148 | 59,577 | 189,157 | - | - |
| PB | 6/29/2022 | 790,182 | 116,769 | 188,307 | - | - |
| | 7/2/2022 | 614,438 | 51,317 | 67,295 | - | - |
| | 7/4/2022 | 299,036 | 30,035 | 28,958 | - | - |
| | 7/6/2022 | 401,760 | 38,008 | 53,549 | - | - |
| | 7/9/2022 | 602,014 | 102,034 | 77,931 | - | - |
| | 7/11/2022 | 344,062 | 32,507 | 41,409 | - | - |
| | 7/13/2022 | 440,762 | 88,584 | 47,572 | - | - |
| | 7/16/2022 | 668,262 | 60,136 | 59,752 | - | - |
| | 7/18/2022 | 403,542 | 87,809 | 57,125 | - | - |
| | 7/20/2022 | 597,818 | 50,782 | 61,085 | - | - |
| | 7/23/2022 | 918,650 | 83,323 | 97,001 | - | - |
| | 7/25/2022 | 557,398 | 102,162 | 66,309 | - | - |
| | 7/27/2022 | 874,266 | 73,371 | 84,053 | - | - |
| | 7/30/2022 | 1,382,938 | 127,723 | 145,329 | - | - |
| | 8/1/2022 | 575,302 | 46,798 | 47,671 | - | - |
| PB | 8/3/2022 | 794,018 | 127,488 | 107,063 | - | - |
| | 8/6/2022 | 623,300 | 107,626 | 68,353 | - | - |
| | 8/8/2022 | 342,664 | 31,380 | 36,045 | - | - |
| | 8/10/2022 | 407,628 | 33,720 | 39,728 | - | - |
| | 8/13/2022 | 613,980 | 152,757 | 63,675 | - | - |
| | 8/15/2022 | 352,420 | 32,897 | 38,308 | - | - |
| | 8/17/2022 | 434,324 | 36,541 | 42,201 | - | - |
| | 8/20/2022 | 632,826 | 169,684 | 121,930 | - | - |
| | 8/22/2022 | 418,122 | 39,297 | 44,402 | - | - |
| | 8/24/2022 | 475,566 | 39,920 | 151,973 | - | - |
| | 8/27/2022 | 666,660 | 57,709 | 67,886 | - | - |
| | 8/29/2022 | 385,640 | 33,641 | 43,722 | - | - |
| | 8/31/2022 | 478,304 | 1,046,153 | 400,781 | - | - |
| | 9/3/2022 | 703,404 | 64,129 | 84,770 | - | - |
| | 9/5/2022 | 379,738 | 31,681 | 42,212 | - | - |
| | 9/7/2022 | 486,272 | 40,539 | 46,515 | - | - |
| | 9/10/2022 | 768,296 | 121,042 | 209,701 | - | - |
| | 9/12/2022 | 417,244 | 35,678 | 40,453 | - | - |
| | 9/14/2022 | 530,324 | 47,910 | 262,484 | - | - |
| | 9/17/2022 | 842,182 | 69,756 | 70,093 | - | - |
| | 9/19/2022 | 454,644 | 46,403 | 65,200 | - | - |

VIRGINIA LOTTERY
Powerball
Fixed Prize Analysis
From April 2, 2022, to March 29, 2023

Exhibit I

| | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|----|------------|------------|---------------------|-----------------------|----------------------|---------------------|
| | 9/21/2022 | 552,796 | 56,247 | 55,453 | - | - |
| | 9/24/2022 | 799,828 | 126,048 | 329,719 | - | - |
| | 9/26/2022 | 470,786 | 137,530 | 68,732 | - | - |
| | 9/28/2022 | 605,178 | 59,519 | 67,760 | - | - |
| | 10/1/2022 | 902,350 | 76,875 | 86,813 | - | - |
| | 10/3/2022 | 511,334 | 44,480 | 53,662 | - | - |
| | 10/5/2022 | 647,958 | 106,789 | 76,430 | - | - |
| | 10/8/2022 | 961,408 | 137,954 | 112,384 | - | - |
| | 10/10/2022 | 592,700 | 116,511 | 247,000 | - | - |
| | 10/12/2022 | 821,616 | 71,832 | 110,536 | - | - |
| | 10/15/2022 | 1,230,156 | 155,309 | 228,026 | - | - |
| | 10/17/2022 | 779,380 | 65,481 | 103,225 | - | - |
| | 10/19/2022 | 1,109,676 | 109,773 | 397,068 | - | - |
| | 10/22/2022 | 1,706,506 | 202,283 | 204,614 | - | - |
| | 10/24/2022 | 1,720,632 | 148,930 | 219,422 | - | - |
| | 10/26/2022 | 2,799,254 | 342,867 | 494,942 | - | - |
| | 10/29/2022 | 5,143,386 | 447,805 | 821,961 | - | - |
| | 10/31/2022 | 6,990,676 | 800,449 | 1,114,626 | - | - |
| | 11/2/2022 | 9,625,656 | 2,105,421 | 1,980,291 | - | - |
| | 11/5/2022 | 14,664,194 | 1,616,721 | 1,993,349 | - | - |
| CA | 11/7/2022 | 14,738,242 | 1,544,504 | 2,541,534 | - | - |
| | 11/9/2022 | 1,335,716 | 235,220 | 177,824 | - | - |
| | 11/12/2022 | 776,600 | 68,225 | 109,339 | - | - |
| | 11/14/2022 | 449,724 | 137,823 | 154,289 | - | - |
| | 11/16/2022 | 504,480 | 48,795 | 161,397 | - | - |
| PB | 11/19/2022 | 721,410 | 69,337 | 194,750 | - | - |
| | 11/21/2022 | 372,150 | 81,475 | 46,609 | - | - |
| | 11/23/2022 | 481,766 | 40,056 | 61,419 | - | - |
| | 11/26/2022 | 582,896 | 54,921 | 75,200 | - | - |
| | 11/28/2022 | 388,138 | 80,621 | 42,013 | - | - |
| | 11/30/2022 | 445,876 | 43,200 | 48,092 | - | - |
| | 12/3/2022 | 649,842 | 116,902 | 108,585 | - | - |
| | 12/5/2022 | 393,988 | 33,700 | 43,713 | - | - |
| | 12/7/2022 | 472,280 | 39,340 | 45,682 | - | - |
| | 12/10/2022 | 680,472 | 109,552 | 200,574 | - | - |
| | 12/12/2022 | 422,922 | 39,063 | 43,531 | - | - |
| | 12/14/2022 | 586,154 | 49,552 | 72,808 | - | - |

VIRGINIA LOTTERY
Powerball
Fixed Prize Analysis
From April 2, 2022, to March 29, 2023

Exhibit I

| | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|----|------------|-----------|---------------------|-----------------------|----------------------|---------------------|
| | 12/17/2022 | 698,444 | 114,334 | 94,042 | - | - |
| | 12/19/2022 | 435,116 | 39,790 | 49,805 | - | - |
| | 12/21/2022 | 535,820 | 46,733 | 51,723 | - | - |
| | 12/24/2022 | 853,668 | 127,878 | 88,612 | - | - |
| | 12/26/2022 | 471,686 | 43,133 | 46,947 | - | - |
| | 12/28/2022 | 705,982 | 58,935 | 69,045 | - | - |
| | 12/31/2022 | 1,229,928 | 116,908 | 150,759 | - | - |
| | 1/2/2023 | 624,700 | 58,681 | 77,952 | - | - |
| | 1/4/2023 | 800,034 | 65,025 | 71,575 | - | - |
| | 1/7/2023 | 1,282,548 | 111,358 | 227,920 | - | - |
| | 1/9/2023 | 805,970 | 68,717 | 79,549 | - | - |
| | 1/11/2023 | 1,002,552 | 144,001 | 126,448 | - | - |
| | 1/14/2023 | 1,654,774 | 143,979 | 164,642 | - | - |
| | 1/16/2023 | 809,330 | 76,196 | 84,260 | - | - |
| | 1/18/2023 | 964,822 | 81,327 | 96,708 | - | - |
| | 1/21/2023 | 1,415,890 | 122,981 | 149,224 | - | - |
| | 1/23/2023 | 963,530 | 1,083,637 | 192,718 | - | - |
| | 1/25/2023 | 1,146,978 | 106,155 | 135,550 | - | - |
| | 1/28/2023 | 1,697,578 | 152,725 | 189,116 | - | - |
| | 1/30/2023 | 1,173,724 | 162,052 | 158,311 | - | - |
| | 2/1/2023 | 1,493,904 | 135,144 | 164,226 | - | - |
| | 2/4/2023 | 2,494,750 | 339,030 | 426,442 | - | - |
| WA | 2/6/2023 | 2,060,758 | 510,890 | 479,332 | - | - |
| | 2/8/2023 | 517,442 | 46,716 | 57,027 | - | - |
| | 2/11/2023 | 696,048 | 170,475 | 104,008 | - | - |
| | 2/13/2023 | 407,024 | 35,031 | 44,803 | - | - |
| | 2/15/2023 | 486,472 | 93,427 | 69,120 | - | - |
| | 2/18/2023 | 705,734 | 110,450 | 94,176 | - | - |
| | 2/20/2023 | 434,798 | 87,291 | 52,939 | - | - |
| | 2/22/2023 | 537,148 | 56,506 | 70,840 | - | - |
| | 2/25/2023 | 759,846 | 62,696 | 189,040 | - | - |
| | 2/27/2023 | 461,138 | 38,502 | 54,437 | - | - |
| | 3/1/2023 | 562,404 | 54,629 | 73,592 | - | - |
| VA | 3/4/2023 | 794,992 | 217,156 | 97,531 | - | 82,652,620 |
| | 3/6/2023 | 351,312 | 32,058 | 32,137 | - | - |
| | 3/8/2023 | 418,640 | 38,583 | 48,296 | - | - |
| | 3/11/2023 | 723,024 | 62,376 | 74,834 | - | - |

VIRGINIA LOTTERY
Powerball
Fixed Prize Analysis
From April 2, 2022, to March 29, 2023

Exhibit I

| | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|--|---------------|----------------------|---------------------|-----------------------|----------------------|---------------------|
| | 3/13/2023 | 379,908 | 37,336 | 150,638 | - | - |
| | 3/15/2023 | 443,148 | 40,943 | 51,037 | - | - |
| | 3/18/2023 | 649,052 | 113,965 | 72,589 | - | - |
| | 3/20/2023 | 389,462 | 33,890 | 48,914 | - | - |
| | 3/22/2023 | 465,232 | 43,781 | 59,197 | - | - |
| | 3/25/2023 | 682,224 | 60,314 | 64,800 | - | - |
| | 3/27/2023 | 423,230 | 86,342 | 57,087 | - | - |
| | 3/29/2023 | 488,318 | 101,830 | 71,364 | - | - |
| | Totals | \$160,938,664 | \$21,800,264 | \$25,306,227 | \$ - | \$ - |

VIRGINIA LOTTERY

Powerball

Fixed Prize Analysis

From April 2, 2022, to March 29, 2023

Exhibit II

| | Receivable (Payable) | Actual Fixed Prizes | Share of Fixed Prizes | Qtrly/Yrly Settlements Transfers In/(Out) | Receivable (Payable) |
|---------------|-------------------------|------------------------|--------------------------|--|-------------------------|
| Georgia | \$ 150,484 | \$ 30,765,481 | \$ 31,970,917 | \$ 57,208 | \$ (1,112,160) |
| Illinois | 517,254 | 30,812,332 | 31,814,562 | (1,326,642) | 841,666 |
| Massachusetts | (525,585) | 26,072,313 | 26,322,122 | 43,917 | (819,311) |
| Maryland | 551,820 | 23,500,980 | 22,311,712 | 2,192,264 | (451,176) |
| Michigan | 271,706 | 36,051,930 | 34,310,915 | 1,361,856 | 650,865 |
| New Jersey | 951,495 | 47,766,099 | 44,770,406 | 4,776,219 | (829,031) |
| Ohio | (1,082,741) | 30,676,869 | 28,780,854 | (1,142,105) | 1,955,379 |
| Virginia | (571,124) | 21,800,264 | 25,306,227 | (4,372,424) | 295,337 |
| Washington | (263,309) | 13,084,551 | 14,943,104 | (1,590,293) | (531,569) |
| Totals | \$ - | \$260,530,819 | \$ 260,530,819 | \$ - | \$ - |