



VIRGINIA LOTTERY DECADES OF DOLLARS

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

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Members of the Virginia Lottery Board
900 East Main Street
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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 Arkansas, Georgia, and Kentucky (referred to as the "Member Lotteries"), which operate Decades of Dollars, solely to assist the Virginia Lottery and Member Lotteries with respect to the evaluation of the following financial information associated with Decades of Dollars: 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 the financial information associated with Decades of Dollars. 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 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 Decades of Dollars drawings from the period April 2013 through March 2014 for testing as indicated in "C," "D," and "E" below.

May 27, 2013
July 22, 2013
December 16, 2013

July 8, 2013
December 5, 2013

- C. For each drawing 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 week 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 drawings 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 Decades of Dollars’ 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 drawing on the “Draw Activity” report attached as Exhibit I and found them to be in agreement.
- E. For each drawing 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 Decades of Dollars Prize 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 amount 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.
- H. 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.
- I. We compared the balance listed as the Virginia Lottery’s receivable 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 Decades of Dollars 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 Decades of Dollars.

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 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

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DECADES OF DOLLARS
VIRGINIA LOTTERY
VIRGINIA DRAW ACTIVITY
From April 2013 through March 2014

Exhibit I

| State | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|-------|-----------|------------|---------------------|-----------------------|----------------------|---------------------|
| | 4/1/2013 | \$ 153,798 | \$ 40,780 | \$ 39,090 | - | - |
| | 4/4/2013 | 149,250 | 88,660 | 65,199 | - | - |
| | 4/8/2013 | 152,090 | 47,920 | 50,287 | - | - |
| | 4/11/2013 | 150,368 | 26,340 | 41,649 | - | - |
| | 4/15/2013 | 151,404 | 66,320 | 48,689 | - | - |
| | 4/18/2013 | 146,506 | 29,990 | 28,471 | - | - |
| | 4/22/2013 | 145,114 | 31,440 | 47,691 | - | - |
| | 4/25/2013 | 147,462 | 45,730 | 42,353 | - | - |
| | 4/29/2013 | 149,918 | 39,510 | 45,961 | - | - |
| | 5/2/2013 | 151,552 | 20,810 | 32,385 | - | - |
| | 5/6/2013 | 149,150 | 22,820 | 27,088 | - | - |
| | 5/9/2013 | 145,062 | 46,240 | 47,906 | - | - |
| | 5/13/2013 | 146,892 | 39,440 | 58,108 | - | - |
| | 5/16/2013 | 144,070 | 28,480 | 22,950 | - | - |
| | 5/20/2013 | 149,282 | 39,260 | 35,877 | - | - |
| | 5/23/2013 | 141,288 | 20,880 | 31,737 | - | - |
| | 5/27/2013 | 127,936 | 33,810 | 31,384 | - | - |
| | 5/30/2013 | 142,590 | 57,690 | 41,318 | - | - |
| | 6/3/2013 | 146,562 | 31,180 | 51,263 | - | - |
| | 6/6/2013 | 143,684 | 29,410 | 30,319 | - | - |
| | 6/10/2013 | 139,562 | 19,200 | 23,201 | - | - |
| | 6/13/2013 | 134,394 | 67,950 | 48,134 | - | - |
| | 6/17/2013 | 137,780 | 62,460 | 68,512 | - | - |
| | 6/20/2013 | 138,634 | 19,260 | 29,405 | - | - |
| | 6/24/2013 | 138,240 | 36,960 | 32,641 | - | - |
| | 6/27/2013 | 132,992 | 55,630 | 50,573 | - | - |
| | 7/1/2013 | 142,446 | 18,340 | 25,839 | - | - |
| | 7/4/2013 | 128,498 | 49,070 | 29,992 | - | - |
| | 7/8/2013 | 136,536 | 23,790 | 33,962 | - | - |
| | 7/11/2013 | 136,464 | 22,570 | 21,994 | - | - |
| | 7/15/2013 | 137,340 | 29,640 | 35,194 | - | - |
| | 7/18/2013 | 132,016 | 19,400 | 33,946 | - | - |
| | 7/22/2013 | 133,258 | 56,210 | 38,804 | - | - |
| | 7/25/2013 | 132,960 | 67,430 | 47,677 | - | - |
| | 7/29/2013 | 134,714 | 61,420 | 43,450 | - | - |
| | 8/1/2013 | 136,884 | 21,930 | 35,915 | - | - |

DECADES OF DOLLARS
VIRGINIA LOTTERY
VIRGINIA DRAW ACTIVITY
From April 2013 through March 2014

Exhibit I

| State | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|-------|------------|---------|---------------------|-----------------------|----------------------|---------------------|
| | 8/5/2013 | 136,458 | 35,740 | 51,266 | - | - |
| | 8/8/2013 | 134,442 | 15,990 | 20,690 | - | - |
| | 8/12/2013 | 133,902 | 18,840 | 41,428 | - | - |
| | 8/15/2013 | 135,566 | 38,440 | 45,062 | - | - |
| | 8/19/2013 | 135,682 | 34,860 | 42,680 | - | - |
| | 8/22/2013 | 136,332 | 32,270 | 34,693 | - | - |
| | 8/26/2013 | 136,694 | 66,650 | 58,829 | - | - |
| | 8/29/2013 | 135,416 | 39,790 | 31,165 | - | - |
| | 9/2/2013 | 125,616 | 57,740 | 44,201 | - | - |
| | 9/5/2013 | 138,492 | 30,110 | 22,891 | - | - |
| | 9/9/2013 | 136,286 | 20,410 | 24,676 | - | - |
| | 9/12/2013 | 132,164 | 54,130 | 52,890 | - | - |
| | 9/16/2013 | 136,162 | 53,610 | 33,682 | - | - |
| | 9/19/2013 | 134,152 | 26,910 | 34,069 | - | - |
| | 9/23/2013 | 131,750 | 59,770 | 48,332 | - | - |
| | 9/26/2013 | 133,582 | 32,400 | 40,332 | - | - |
| | 9/30/2013 | 135,884 | 38,280 | 34,046 | - | - |
| | 10/3/2013 | 138,000 | 39,030 | 33,823 | - | - |
| | 10/7/2013 | 136,432 | 19,330 | 34,339 | - | - |
| | 10/10/2013 | 133,156 | 18,470 | 26,728 | - | - |
| | 10/14/2013 | 130,470 | 27,270 | 33,821 | - | - |
| | 10/17/2013 | 132,580 | 29,860 | 47,538 | - | - |
| | 10/21/2013 | 129,742 | 48,310 | 37,925 | - | - |
| | 10/24/2013 | 128,514 | 19,070 | 30,825 | - | - |
| | 10/28/2013 | 128,442 | 37,030 | 31,474 | - | - |
| | 10/31/2013 | 127,028 | 41,170 | 50,612 | - | - |
| | 11/4/2013 | 133,356 | 35,100 | 28,356 | - | - |
| | 11/7/2013 | 132,456 | 18,650 | 23,350 | - | - |
| | 11/11/2013 | 128,816 | 30,160 | 27,736 | - | - |
| | 11/14/2013 | 130,312 | 42,670 | 37,543 | - | - |
| | 11/18/2013 | 134,244 | 29,330 | 27,557 | - | - |
| | 11/21/2013 | 130,866 | 47,800 | 42,590 | - | - |
| | 11/25/2013 | 132,058 | 40,200 | 46,194 | - | - |
| | 11/28/2013 | 110,712 | 83,900 | 57,212 | - | - |
| | 12/2/2013 | 135,448 | 29,590 | 39,215 | - | - |
| | 12/5/2013 | 133,790 | 77,940 | 44,920 | - | - |

DECADES OF DOLLARS
VIRGINIA LOTTERY
VIRGINIA DRAW ACTIVITY
From April 2013 through March 2014

Exhibit I

| State | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|--------------|------------|----------------------|---------------------|-----------------------|----------------------|---------------------|
| | 12/9/2013 | 130,060 | 28,080 | 34,322 | - | - |
| | 12/12/2013 | 130,272 | 53,780 | 33,291 | - | - |
| | 12/16/2013 | 133,870 | 59,230 | 33,998 | - | - |
| | 12/19/2013 | 138,410 | 21,300 | 24,762 | - | - |
| | 12/23/2013 | 137,732 | 36,670 | 42,311 | - | - |
| | 12/26/2013 | 125,268 | 18,860 | 18,428 | - | - |
| | 12/30/2013 | 138,286 | 39,090 | 31,678 | - | - |
| | 1/2/2014 | 132,700 | 28,600 | 34,380 | - | - |
| | 1/6/2014 | 137,172 | 36,260 | 33,902 | - | - |
| | 1/9/2014 | 132,440 | 26,580 | 28,994 | - | - |
| | 1/13/2014 | 133,156 | 36,990 | 29,665 | - | - |
| | 1/16/2014 | 130,958 | 47,430 | 38,035 | - | - |
| | 1/20/2014 | 129,956 | 46,710 | 34,805 | - | - |
| | 1/23/2014 | 119,130 | 29,150 | 32,910 | - | - |
| | 1/27/2014 | 131,806 | 30,130 | 41,939 | - | - |
| | 1/30/2014 | 118,340 | 15,220 | 31,215 | - | - |
| | 2/3/2014 | 134,020 | 31,320 | 31,735 | - | - |
| | 2/6/2014 | 131,028 | 37,470 | 37,020 | - | - |
| | 2/10/2014 | 135,686 | 27,030 | 41,682 | - | - |
| | 2/13/2014 | 109,356 | 34,220 | 36,522 | - | - |
| | 2/17/2014 | 131,512 | 18,120 | 29,981 | - | - |
| | 2/20/2014 | 135,228 | 37,170 | 30,122 | - | - |
| | 2/24/2014 | 135,416 | 59,320 | 38,667 | - | - |
| | 2/27/2014 | 134,652 | 41,250 | 33,426 | - | - |
| | 3/3/2014 | 124,140 | 38,920 | 30,127 | - | - |
| | 3/6/2014 | 140,676 | 21,220 | 20,788 | - | - |
| | 3/10/2014 | 137,846 | 52,300 | 42,796 | - | - |
| | 3/13/2014 | 134,716 | 18,610 | 19,966 | - | - |
| | 3/17/2014 | 129,696 | 38,150 | 30,138 | - | - |
| | 3/20/2014 | 137,784 | 64,110 | 44,148 | - | - |
| | 3/24/2014 | 139,326 | 22,080 | 29,299 | - | - |
| | 3/27/2014 | 137,972 | 39,440 | 31,248 | - | - |
| | 3/31/2014 | 142,236 | 46,600 | 43,515 | - | - |
| Total | | <u>\$ 14,252,544</u> | <u>\$ 3,970,200</u> | <u>\$ 3,877,469</u> | | |

DECADES OF DOLLARS
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) |
|--------------|-------------------------|------------------------|------------------------------------|--|-------------------------|
| Arkansas | \$ 32,536 | \$ 633,240 | \$ 670,841 | \$ 11,072 | \$ (16,137) |
| Georgia | (80,305) | 3,708,980 | 3,872,153 | (97,805) | (145,673) |
| Kentucky | (5,264) | 2,038,780 | 1,930,737 | 57,721 | 45,058 |
| Virginia | 53,033 | <u>3,970,200</u> | <u>3,877,469</u> | 29,012 | 116,752 |
| Total | | <u>\$10,351,200</u> | <u>\$10,351,200</u> | | |