



VIRGINIA LOTTERY
POWER PLAY

REPORT ON APPLYING
AGREED-UPON PROCEDURES
FOR THE PERIOD
APRIL 2014 THROUGH MARCH 2015

Auditor of Public Accounts
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June 26, 2015

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

INDEPENDENT AUDITOR'S REPORT ON THE APPLICATION OF 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, 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 2014 through March 2015, and the Virginia Lottery's receivable or payable as of March 2015. 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 2014 through March 2015 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 2014 through March 2015 for testing as indicated in "C," "D," and "E" below.

April 16, 2014
June 4, 2014
August 16, 2014

April 26, 2014
August 13, 2014

- 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 2015 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 2015 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/clj

**Power Play
Virginia Lottery Draw Activity
From April 2014 to March 2015**

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
4/2/2014	\$ 58,563	\$ 8,647	\$ 10,235	\$ -	\$ -
4/5/2014	64,769	40,812	45,648	-	-
4/9/2014	60,826	9,460	10,393	-	-
4/12/2014	67,502	19,605	10,546	-	-
4/16/2014	66,411	19,700	24,882	-	-
4/19/2014	75,345	41,572	42,749	-	-
4/23/2014	69,799	35,688	32,822	-	-
4/26/2014	56,781	19,062	20,895	-	-
4/30/2014	51,360	16,746	141,457	-	-
5/3/2014	60,400	26,565	29,114	-	-
5/7/2014	54,656	17,073	8,422	-	-
5/10/2014	59,807	8,229	9,304	-	-
5/14/2014	54,110	15,430	19,999	-	-
5/17/2014	64,076	18,978	20,583	-	-
5/21/2014	59,870	33,048	33,012	-	-
5/24/2014	70,384	10,780	11,128	-	-
5/28/2014	66,093	20,234	22,131	-	-
5/31/2014	79,535	11,504	11,317	-	-
6/4/2014	79,090	25,040	32,285	-	-
6/7/2014	93,110	12,508	13,347	-	-
6/11/2014	98,969	98,000	64,343	-	-
6/14/2014	56,731	15,790	17,811	-	-
6/18/2014	50,630	18,096	19,798	-	-
6/21/2014	58,618	15,444	15,806	-	-
6/25/2014	54,652	24,003	32,114	-	-
6/28/2014	61,519	8,882	10,621	-	-
7/2/2014	61,344	8,325	137,395	-	-
7/5/2014	69,564	33,231	32,319	-	-
7/9/2014	69,101	19,638	11,072	-	-
7/12/2014	55,477	9,096	10,231	-	-
7/16/2014	52,305	16,588	19,318	-	-
7/19/2014	58,632	9,668	9,420	-	-
7/23/2014	48,910	34,604	47,533	-	-
7/26/2014	55,801	17,363	10,259	-	-
7/30/2014	50,911	15,202	15,194	-	-
8/2/2014	63,818	9,665	9,758	-	-

**Power Play
Virginia Lottery Draw Activity
From April 2014 to March 2015**

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
8/6/2014	57,213	34,340	40,791	-	-
8/9/2014	65,000	9,381	9,882	-	-
8/13/2014	48,032	6,970	8,151	-	-
8/16/2014	55,485	9,078	8,745	-	-
8/20/2014	49,355	8,137	8,015	-	-
8/23/2014	56,779	15,964	15,502	-	-
8/27/2014	53,164	15,134	20,437	-	-
8/30/2014	63,713	9,130	9,394	-	-
9/3/2014	63,360	18,064	18,783	-	-
9/6/2014	70,343	9,941	9,758	-	-
9/10/2014	67,200	42,248	50,004	-	-
9/13/2014	77,044	42,898	29,813	-	-
9/17/2014	71,945	9,871	122,812	-	-
9/20/2014	81,660	34,059	34,109	-	-
9/24/2014	86,605	43,137	161,960	-	-
9/27/2014	51,831	18,244	137,290	-	-
10/1/2014	48,734	9,291	8,924	-	-
10/4/2014	54,401	7,695	10,340	-	-
10/8/2014	49,040	13,924	16,283	-	-
10/11/2014	55,263	7,903	7,959	-	-
10/15/2014	50,250	9,107	11,110	-	-
10/18/2014	61,538	8,982	8,973	-	-
10/22/2014	58,767	7,659	9,085	-	-
10/25/2014	66,208	10,629	10,090	-	-
10/29/2014	62,716	16,440	16,826	-	-
11/1/2014	73,648	12,033	11,825	-	-
11/5/2014	71,013	41,592	23,950	-	-
11/8/2014	79,299	22,274	25,453	-	-
11/12/2014	46,001	15,528	14,840	-	-
11/15/2014	52,017	6,939	7,041	-	-
11/19/2014	46,244	6,918	6,702	-	-
11/22/2014	53,843	7,869	9,174	-	-
11/26/2014	51,556	30,656	35,630	-	-
11/29/2014	53,149	7,678	7,821	-	-
12/3/2014	45,241	12,242	12,176	-	-
12/6/2014	50,442	7,286	11,042	-	-

**Power Play
Virginia Lottery Draw Activity
From April 2014 to March 2015**

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
12/10/2014	46,441	7,294	8,279	-	-
12/13/2014	52,510	16,672	15,424	-	-
12/17/2014	48,740	14,366	16,535	-	-
12/20/2014	55,264	36,100	36,625	-	-
12/24/2014	62,425	26,607	26,389	-	-
12/27/2014	55,906	19,743	13,411	-	-
12/31/2014	69,480	10,729	10,425	-	-
1/3/2015	62,995	18,828	20,656	-	-
1/7/2015	60,192	8,754	8,987	-	-
1/10/2015	66,028	88,172	55,814	-	-
1/14/2015	62,319	37,948	37,182	-	-
1/17/2015	77,062	12,246	249,669	-	-
1/21/2015	76,398	33,576	266,267	-	-
1/24/2015	88,040	13,877	130,360	-	-
1/28/2015	87,064	49,416	54,810	-	-
1/31/2015	109,747	25,138	20,373	-	-
2/4/2015	141,415	20,069	26,508	-	-
2/7/2015	192,704	109,824	234,886	-	-
2/11/2015	475,720	153,320	158,410	-	-
2/14/2015	58,186	8,008	7,804	-	-
2/18/2015	48,286	6,571	6,972	-	-
2/21/2015	52,629	7,428	9,521	-	-
2/25/2015	57,750	19,064	143,297	-	-
2/28/2015	62,704	10,398	10,250	-	-
3/4/2015	63,477	1,008,063	131,862	-	-
3/7/2015	69,240	29,763	40,704	-	-
3/11/2015	68,434	9,902	11,360	-	-
3/14/2015	77,196	11,634	11,164	-	-
3/18/2015	53,203	8,012	8,467	-	-
3/21/2015	57,291	31,875	35,368	-	-
3/25/2015	49,955	7,540	8,612	-	-
3/28/2015	55,105	19,748	25,205	-	-
Total	\$ 7,091,474	\$ 3,234,202	\$ 3,805,547	\$ -	\$ -

Power Play
Virginia Lottery Fixed Prize Analysis
From April 2014 to March 2015

Exhibit II

State	Receivable (Payable)	Actual Fixed Prizes	Actual Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In (Out)	Receivable (Payable)
Georgia	\$ (84,824)	\$ 2,560,381	\$ 2,668,577	\$ (196,664)	\$ 3,644
Illinois	(119,775)	5,735,110	4,444,393	(172,979)	1,343,921
Massachusetts	(67,069)	4,333,453	2,329,889	(148,874)	2,085,369
Maryland	(86,273)	437,787	482,371	(130,857)	-
Michigan	(86,727)	1,623,146	2,702,442	(158,055)	(1,007,968)
New Jersey	862,044	4,375,660	4,065,575	1,706,577	(534,448)
New York	(153,860)	5,184,918	5,224,025	(302,366)	109,399
Ohio	(167,693)	4,040,441	5,243,998	(328,491)	(1,042,759)
POWERBALL					
Virginia	(62,232)	3,234,202	3,805,547	(182,098)	(451,479)
Washington	(33,591)	836,635	1,394,916	(86,193)	(505,679)
Total	\$ -	\$ 32,361,733	\$ 32,361,733	\$ -	\$ -