



VIRGINIA LOTTERY
MEGAPLIER

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

Auditor of Public Accounts
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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 **Megaplier**, solely to assist the Virginia Lottery and Member Lotteries with respect to the evaluation of the following financial information associated with Megaplier: 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 the financial information associated with Megaplier. 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 2014 through March 2015, and attached those as Exhibit I and II, respectively. We verified the mathematical accuracy of the schedules.
- B. We randomly selected the following five Megaplier drawings from the period April 2014 through March 2015 for testing as indicated in "C," "D," and "E" below.

July 8, 2014
January 27, 2015
March 6, 2015

October 10, 2014
February 20, 2015

- 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 Megaplier’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 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 Megaplier 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 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 Megaplier 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 Megaplier. 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

AC/alh

Megaplier
Virginia Lottery Draw Activity
From April 2014 Through March 2015

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
4/1/2014	\$ 81,783	\$ 36,116	\$ 34,919	\$ -	\$ -
4/4/2014	86,897	9,044	10,146	-	-
4/8/2014	74,413	24,844	15,978	-	-
4/11/2014	77,869	34,532	34,979	-	-
4/15/2014	74,120	15,266	17,403	-	-
4/18/2014	80,901	9,247	10,952	-	-
4/22/2014	75,949	14,394	16,857	-	-
4/25/2014	81,267	14,622	11,730	-	-
4/29/2014	78,727	16,870	16,437	-	-
5/2/2014	90,095	42,908	48,356	-	-
5/6/2014	86,809	33,038	22,473	-	-
5/9/2014	93,922	9,428	10,016	-	-
5/13/2014	91,378	14,026	8,924	-	-
5/16/2014	98,391	50,804	52,704	-	-
5/20/2014	97,510	12,274	11,538	-	-
5/23/2014	72,155	24,522	25,138	-	-
5/27/2014	62,596	13,619	9,195	-	-
5/30/2014	75,743	23,586	24,746	-	-
6/3/2014	73,652	15,358	16,634	-	-
6/6/2014	77,032	31,746	26,455	-	-
6/10/2014	75,269	44,844	44,962	-	-
6/13/2014	83,291	33,752	37,852	-	-
6/17/2014	65,337	21,402	24,839	-	-
6/20/2014	70,918	36,392	40,424	-	-
6/24/2014	66,818	23,361	23,014	-	-
6/27/2014	72,484	14,792	16,175	-	-
7/1/2014	67,647	15,972	16,615	-	-
7/4/2014	67,989	49,916	28,860	-	-
7/8/2014	67,577	31,164	33,013	-	-
7/11/2014	72,428	29,900	33,256	-	-
7/15/2014	74,726	8,404	10,344	-	-
7/18/2014	75,069	17,438	16,761	-	-
7/22/2014	72,641	16,370	20,973	-	-
7/25/2014	78,997	38,016	38,803	-	-
7/29/2014	77,072	23,106	25,690	-	-
8/1/2014	89,980	37,044	39,893	-	-

Megaplier
Virginia Lottery Draw Activity
From April 2014 Through March 2015

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Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
8/5/2014	94,356	42,956	45,471	-	-
8/8/2014	98,638	49,032	46,930	-	-
8/12/2014	99,280	28,722	29,223	-	-
8/15/2014	112,135	14,817	14,335	-	-
8/19/2014	108,368	32,856	37,291	-	-
8/22/2014	122,039	60,492	56,931	-	-
8/26/2014	67,319	24,088	25,283	-	-
8/29/2014	76,018	8,821	8,092	-	-
9/2/2014	66,545	13,388	13,200	-	-
9/5/2014	76,550	12,654	14,817	-	-
9/9/2014	71,147	19,659	20,215	-	-
9/12/2014	79,663	30,772	23,435	-	-
9/16/2014	74,059	7,209	7,077	-	-
9/19/2014	79,024	8,085	9,428	-	-
9/23/2014	76,203	52,216	38,310	-	-
9/26/2014	84,184	40,616	40,697	-	-
9/30/2014	89,086	34,724	39,838	-	-
10/3/2014	100,040	19,540	20,935	-	-
10/7/2014	95,402	19,026	20,060	-	-
10/10/2014	102,821	41,636	45,936	-	-
10/14/2014	100,976	24,960	22,976	-	-
10/17/2014	109,967	31,932	37,962	-	-
10/21/2014	118,566	55,048	52,691	-	-
10/24/2014	137,340	35,234	34,103	-	-
10/28/2014	138,991	54,632	62,546	-	-
10/31/2014	165,138	17,684	20,284	-	-
11/4/2014	200,138	67,392	417,246	-	-
11/7/2014	73,740	29,248	33,063	-	-
11/11/2014	66,780	32,276	34,002	-	-
11/14/2014	72,448	33,700	32,641	-	-
11/18/2014	68,921	7,396	6,791	-	-
11/21/2014	74,799	8,315	8,979	-	-
11/25/2014	72,999	12,114	10,028	-	-
11/28/2014	69,405	16,694	17,477	-	-
12/2/2014	75,912	34,408	33,900	-	-
12/5/2014	82,916	69,652	46,011	-	-

Megaplier
Virginia Lottery Draw Activity
From April 2014 Through March 2015

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
12/9/2014	80,016	32,300	35,615	-	-
12/12/2014	91,088	45,184	49,068	-	-
12/16/2014	89,631	39,008	35,117	-	-
12/19/2014	96,179	20,036	19,669	-	-
12/23/2014	100,453	24,842	25,538	-	-
12/26/2014	95,411	25,730	28,359	-	-
12/30/2014	108,348	39,045	40,015	-	-
1/2/2015	113,570	34,188	36,311	-	-
1/6/2015	120,004	26,504	27,261	-	-
1/9/2015	124,901	53,148	54,977	-	-
1/13/2015	133,912	91,856	76,175	-	-
1/16/2015	155,119	32,832	35,349	-	-
1/20/2015	68,547	30,688	28,919	-	-
1/23/2015	75,162	8,456	8,172	-	-
1/27/2015	67,289	17,852	18,397	-	-
1/30/2015	80,193	32,092	36,254	-	-
2/3/2015	78,825	44,152	38,926	-	-
2/6/2015	88,704	21,884	22,838	-	-
2/10/2015	97,288	10,870	11,362	-	-
2/13/2015	102,026	23,764	20,979	-	-
2/17/2015	67,901	26,096	26,518	-	-
2/20/2015	93,288	21,226	22,705	-	-
2/24/2015	92,283	18,364	23,107	-	-
2/27/2015	102,867	9,704	10,663	-	-
3/3/2015	73,491	26,187	27,670	-	-
3/6/2015	71,967	15,092	16,697	-	-
3/10/2015	72,173	32,360	40,785	-	-
3/13/2015	80,639	39,332	37,677	-	-
3/17/2015	75,172	36,568	35,967	-	-
3/20/2015	80,433	26,850	30,661	-	-
3/24/2015	76,110	7,529	10,348	-	-
3/27/2015	71,015	31,676	31,293	-	-
3/31/2015	69,642	31,356	30,816	-	-
Total	\$9,205,012	\$2,956,882	\$3,299,466	\$ -	\$ -

Megaplier
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	\$ (128,575)	\$ 1,884,565	\$ 2,126,546	\$ (107,388)	\$ (263,168)
Illinois	(204,351)	2,886,010	3,220,037	(180,096)	(358,282)
Massachusetts	(113,456)	1,439,453	1,641,296	(137,366)	(177,933)
Maryland	(159,271)	403,070	410,002	(166,203)	-
Michigan	(168,444)	2,368,829	2,582,187	(125,438)	(256,364)
New Jersey	(228,546)	2,833,239	3,262,340	(251,678)	(405,969)
New York	(352,303)	7,235,261	4,815,954	(388,906)	2,455,910
Ohio	(358,154)	4,239,580	4,809,121	(386,291)	(541,404)
POWER BALL					
Virginia	1,780,182	2,956,882	3,299,466	1,788,123	(350,525)
Washington	(67,082)	1,081,209	1,161,149	(44,757)	(102,265)
Total	\$ -	\$27,328,098	\$27,328,098	\$ -	\$ -