

AUDIT SUMMARY

Our audit of the **State Lottery Department** for the years ended June 30, 1999 and 1998, found:

- the financial statements are presented fairly, in all material respects;
- no internal control matters that we consider material weaknesses; and
- no instances of noncompliance required to be reported under Government Auditing Standards.

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AGENCY OFFICIALS

August 13, 1999

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

We have audited the accounts and records of the **State Lottery Department** as of and for the years ended June 30, 1999 and 1998, and submit herewith our complete reports on financial statements and compliance and internal controls.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

We have audited the balance sheet of the State Lottery Department as of June 30, 1999 and 1998, and the related statement of revenues, expenses and changes in retained earnings, and the statement of cash flows for the years then ended. The financial statements are the responsibility of the Department's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts, and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State Lottery Department as of June 30, 1999 and 1998, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements of the State Lottery Department as of and for the years ended June 30, 1999 and 1998, we considered internal controls over financial reporting and tested compliance with certain provisions of laws, regulations, and contracts in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Governmental Auditing Standards. We also determined the status of audit findings contained in our prior year report.

Compliance

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Department's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal controls over financial reporting and its operation that we consider to be material weaknesses.

Status of Prior Findings

The Department has taken adequate corrective action with respect to audit findings reported in the prior year that are not repeated in this report.

The "Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting" is intended solely for the information and use of the Governor and General Assembly of Virginia, the Virginia State Lottery Board and Lottery management, 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.

EXIT CONFERENCE

We discussed this report with management at an exit conference held on September 28, 1999.

AUDITOR OF PUBLIC ACCOUNTS

KKH:whb
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FINANCIAL STATEMENTS

STATE LOTTERY DEPARTMENT
BALANCE SHEET
As of June 30, 1999 and 1998

	1999	1998
ASSETS		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 10,795,785	\$ 13,072,231
Cash held as collateral: (Note 2)		
Lottery securities lending	-	206,938,427
Treasury securities lending	585,163	986,967
Accounts receivable	35,302,436	26,691,881
Instant ticket inventory (Note 3)	1,811,494	1,017,135
Deferred expenses	2,533,212	353,002
Short-term investments (Note 2)	64,623,875	63,705,643
Total current assets	115,651,965	312,765,286
Investments (Note 2)	518,196,615	531,714,236
Fixed assets:		
Furniture, fixtures and equipment	48,185,365	43,637,348
Less: Accumulated depreciation	(36,415,931)	(31,784,208)
Net fixed assets	11,769,434	11,853,140
Total assets	\$ 645,618,014	\$ 856,332,662
LIABILITIES AND RETAINED EARNINGS		
Current liabilities:		
Accounts payable	\$ 9,332,923	\$ 6,900,821
Treasury loan (Note 9)	12,000,000	-
Due to the General Fund of the Commonwealth (Note 4)	782,671	874,858
Obligations under securities lending: (Note 2)		
Lottery	-	206,938,427
Treasury	585,163	986,967
Prizes payable: (Note 5)		
Jackpot prizes payable	64,623,875	63,705,643
Other	36,742,834	36,402,196
Deferred revenue	2,004,099	2,532,428
Total current liabilities	126,071,565	318,341,340
Long-term liabilities:		
Jackpot prizes payable (Note 5)	518,196,615	531,714,236
Compensated absences (Note 7)	1,349,834	1,277,086
Total liabilities	645,618,014	851,332,662
Retained earnings:		
Reserved - Lottery prize payments (Note 8)	-	5,000,000
Total liabilities and retained earnings	\$ 645,618,014	\$ 856,332,662

The accompanying notes to financial statements are an integral part of this statement.

STATE LOTTERY DEPARTMENT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
For the Years Ended June 30, 1999 and 1998

	1999	1998
Revenue:		
Ticket sales	\$ 934,521,236	\$ 914,203,695
Less:		
Prize expense	506,899,594	503,812,056
Retailer compensation	52,129,611	49,456,959
Instant ticket printing	3,677,388	4,905,496
Gross margin	371,814,643	356,029,184
Operating expenses:		
Advertising and promotion	21,494,987	22,922,186
General and administration	43,657,575	42,012,107
Total operating expenses	65,152,562	64,934,293
Income from operations	306,662,081	291,094,891
Non-operating revenue:		
Interest income	9,012,206	10,156,207
Other income	1,200,569	790,401
Total non-operating income	10,212,775	10,946,608
Net adjustment for effect of change in accounting principle (Note 1)	-	16,861,160
Net income	316,874,856	318,902,659
Transfer to the General Fund of the Commonwealth	(321,092,185)	(318,027,801)
Due from (to) the General Fund of the Commonwealth	(782,671)	(874,858)
Retained earnings at July 1	5,000,000	5,000,000
Retained earnings at June 30	\$ -	\$ 5,000,000

The accompanying notes to financial statements are an integral part of this statement.

STATE LOTTERY DEPARTMENT
STATEMENT OF CASH FLOWS
For the Years Ended June 30, 1997 and 1998

	1999	1998
Cash flows from operating activities:		
Cash received from ticket sales	\$ 925,382,352	\$ 878,096,156
Cash payments for prizes	(561,068,418)	(501,046,818)
Discounts for retailer compensation	(52,129,611)	(49,456,959)
Cash payments to supplier of instant tickets	(4,471,747)	(3,460,274)
Cash payments to suppliers of other goods and services	(33,682,476)	(38,222,495)
Cash payments to employees for services	(16,840,220)	(14,244,175)
Cash payments to the Literary Fund for unclaimed prizes (Note 10)	(9,348,632)	(10,578,505)
Net cash provided by operating activities	247,841,248	261,086,930
Cash flows from noncapital financing activities:		
Proceeds from other income	1,200,569	790,401
Proceeds from Treasury loan	12,000,000	-
Transfers to the General Fund of the Commonwealth	(321,967,043)	(317,497,870)
Net cash used by noncapital financing activities	(308,766,474)	(316,707,469)
Cash flows from capital financing activities:		
Acquisition of capital assets	(4,872,888)	(5,701,922)
Net cash used for capital financing activities	(4,872,888)	(5,701,922)
Cash flows from investing activities:		
Purchase of investment securities	(11,870,538)	(42,896,965)
Proceeds from maturing securities	66,380,000	61,875,000
Interest proceeds from cash balances	9,012,206	10,156,207
Net cash provided by investing activities	63,521,668	29,134,242
Proceeds from change in accounting principle	-	16,861,160
Net (decrease) in cash and cash equivalents	(2,276,446)	(15,327,059)
Cash and cash equivalents at July 1	13,072,231	28,399,290
Cash and cash equivalents at June 30	\$ 10,795,785	\$ 13,072,231
Reconciliation of operating income to net cash provided by operating activities:		
Income from operations	\$ 306,662,081	\$ 291,094,891
Adjustments to reconcile operating income to net cash:		
Depreciation	4,956,594	4,819,252
Accreted interest on investment securities	(41,910,073)	(41,898,386)
Changes in assets and liabilities:		
(Increase) in accounts receivable	(8,610,555)	(13,312,038)
(Increase) decrease in instant ticket inventory	(794,359)	1,445,222
(Increase) decrease in deferred expenses	(2,180,210)	504,845
Increase (decrease) in accounts payable	2,432,102	(3,549,520)
Increase in current prizes payable	1,258,870	25,929,533
(Decrease) in allowance for instant ticket returns	-	(23,001,515)
Increase (decrease) in deferred revenue	(528,329)	206,014
Increase in accrued compensated absences	72,748	114,541
Increase (decrease) in noncurrent prizes payable	(13,517,621)	18,734,091
Net cash provided by operating activities	\$ 247,841,248	\$ 261,086,930

During 1998, the Lottery disposed of 1700 four-bin Instant Ticket vending machines having an original total cost of \$6,800,000. These machines were replaced with new eight and twelve bin machines.

NOTES TO FINANCIAL STATEMENTS

STATE LOTTERY DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

AS OF JUNE 30, 1999 AND 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The State Lottery Department (Virginia Lottery) was established by Chapter 531 of the 1987 Acts of Assembly and operates as an independent agency in accordance with the provisions of Chapter 40 of Title 58.1 of the Code of Virginia.

A separate report is prepared for the Commonwealth of Virginia which includes all agencies, boards, commissions, and authorities over which the Commonwealth exercises or has the ability to exercise oversight authority. The Virginia Lottery is an agency of the Commonwealth of Virginia and is included in the general purpose financial statements of the Commonwealth.

B. Basis of Accounting

The basis of accounting is an accrual basis where revenues are recognized when earned and expenses when incurred.

Instant ticket revenue is recognized when tickets are sold to retailers. Prior to July 1, 1997, instant ticket revenue was recognized when tickets were sold to the public. The effect of this change in accounting principle represents the one time gross margin revenue resulting from this change in revenue recognition.

On-line ticket revenue is recognized as corresponding drawings are held.

C. Fund Accounting

The activities of the Virginia Lottery are accounted for in an enterprise fund, used to account for governmental operations that are financed and operated in a manner similar to private business enterprises. Enterprise fund accounting is used where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate.

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents represent cash with the Treasurer of Virginia, deposits and overnight repurchase agreements. Cash with the Treasurer of Virginia is held pursuant to Section 2.1-177, et seq., Code of Virginia. These funds are held in pooled accounts and, accordingly, are not categorized as to credit risk as defined by Statement 3 of the Governmental Accounting Standards Board. Cash on deposit is held in demand deposit accounts maintained for prize payments and is covered by federal depository insurance with the balance in excess of this insurance collateralized in accordance with the Virginia Security for Public Deposits Act. Under that Act, banks holding public

deposits in excess of the amounts insured by FDIC pledge collateral in the amount of 50 percent of deposits in excess of FDIC insurance coverage to a collateral pool held in the name of the State Treasury Board.

Investments (current and long-term) consist of U.S. Treasury STRIPS purchased to fund individual jackpot and "For Life" prizes. Investments are valued at cost plus accrued interest. Market values are reported for informational purposes as it is management's intention to hold these securities to maturity.

Statutes authorize the investment of funds held by the Virginia Lottery in obligations of the Commonwealth, Federal Government, other states or political subdivisions thereof, the International Bank for Reconstruction and Development, the Asian Development Bank, and the African Development Bank. In addition, the Virginia Lottery may invest in prime quality commercial paper rated prime 1 by Moody's Investment Service or A-1 by Standard and Poor's Incorporated, overnight term or open repurchase agreements, and money market funds comprised of investments which are otherwise legal investments of the Virginia Lottery.

Cash on deposit, short-term investments, and investments are categorized below to give an indication of the level of credit risk assumed by the Virginia Lottery. Credit risk is the risk that the Virginia Lottery may not be able to obtain possession of its investment instruments or collateral at maturity. Risk category 1 includes investments which are insured or registered or for which the securities are held by the Virginia Lottery or its safekeeping agent in the Virginia Lottery's name. Risk category 2 includes uninsured or unregistered investments for which the securities are held by the broker's or dealer's trust department or safekeeping agent in the Virginia Lottery's name. There are no accounts or investments in this category. Risk category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or safekeeping agent but not in the Virginia Lottery's name.

Securities Lending

As authorized by Section 2.1-328.6 of the Code of Virginia, the Virginia Lottery, through its master custodian, BankersTrust, New York, N.Y., N.A., lends securities to various security brokers and lenders on a temporary basis for a fee. Up to 100 percent of the securities may be available for loan. All security loan agreements are collateralized at loan inception at 102 percent of market value by cash or U.S. Government obligations and adjusted to market daily to cover market value fluctuations; therefore, management believes there is no assumed credit risk. For the year ended June 30, 1999, the market value of investment account securities on loan was \$19,689,213 secured by \$20,082,997 in market value securities that cannot be pledged or loaned. For the year ended June 30, 1998, the market value of investment account securities on loan was \$202,880,811 secured by \$206,938,427 in cash deposits, and \$258,167,440 secured by \$263,330,789 in market value securities that cannot be pledged or loaned.

Cash held as collateral from treasury security lending represents the Lottery's share of cash collateral received for security lending transactions held in the General Account of the Commonwealth. Information related to the credit risk of these securities lending transactions is available on a statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

In accordance with Statement No. 28 of the Governmental Accounting Standards Board, June 30, 1998, balances for "Cash held as collateral" and "Obligations under securities lending,"

reflect the recommended reporting. There were no Lottery security lending transactions at June 30, 1999, secured by cash deposits.

At June 30, 1999				
	Category		Carrying Amount	Market Value
	1	3		
<u>Cash and Cash Equivalents</u>				
Cash on deposit	\$ (7,036,195)	\$ -	\$ (7,036,195)	\$ (7,036,195)
Repurchase agreements	-	10,861,954	10,861,954	10,861,954
Cash with Treasurer of Virginia	-	-	6,965,086	6,965,086
Petty cash	-	-	4,940	4,940
Total cash and cash Equivalents	<u>\$ (7,036,195)</u>	<u>\$ 10,861,954</u>	<u>\$ 10,795,785</u>	<u>\$ 10,795,785</u>
<u>Cash held as Collateral</u>				
Treasury securities lending			<u>\$ 585,163</u>	<u>\$ 585,163</u>
<u>Investments</u>				
U. S. Government Securities	<u>\$582,820,490</u>	<u>\$ -</u>	<u>\$582,820,490</u>	<u>\$ 624,758,375</u>

At June 30, 1998				
	Category		Carrying Amount	Market Value
	1	3		
<u>Cash and Cash Equivalents</u>				
Cash on deposit	\$ 310,664	\$ -	\$ 310,664	\$ 310,664
Repurchase agreements	-	1,558,281	1,558,281	1,558,281
Cash with Treasurer of Virginia	-	-	11,198,346	11,198,346
Petty cash	-	-	4,940	4,940
Total cash and cash equivalents	<u>\$ (310,664)</u>	<u>\$ 1,558,281</u>	<u>\$ 13,072,231</u>	<u>\$ 13,072,231</u>
<u>Cash held as collateral</u>				
Lottery securities lending			\$206,938,427	\$206,938,427
Treasury securities lending			<u>986,967</u>	<u>986,967</u>
Total cash collateral			<u>\$207,925,394</u>	<u>\$207,925,394</u>
<u>Investments</u>				
U. S. Government Securities	<u>\$595,419,879</u>	<u>\$ -</u>	<u>\$595,419,879</u>	<u>\$659,559,145</u>

3. INSTANT TICKET INVENTORY

Inventories are valued at cost and are expensed over the life of each game as it is sold to retailers.

4. DUE TO THE GENERAL FUND OF THE COMMONWEALTH

The amount due to the General Fund of the Commonwealth represents Virginia Lottery net income payable to the Commonwealth of Virginia's General Fund in accordance with Section 3-1.01(G) of Chapter 935, 1999 Acts of Assembly, and Section 58.1-4022(D), Code of Virginia.

	Year Ended June 30, 1999	Year Ended June 30, 1998
Net Income	\$ 316,874,856	\$ 318,902,659
Special Prize Reserve	5,000,000	-
Less:		
Transfer of net income through June 30	<u>321,092,185</u>	<u>318,027,801</u>
Balance due to General Fund of the Commonwealth	<u>\$ (782,671)</u>	<u>\$ (874,858)</u>

5. PRIZES PAYABLE

Jackpot prizes are paid in 20, 25, or 26 installments. The first installment is paid on the day the prize is claimed. The subsequent annual payments are funded with U.S. Treasury STRIPS purchased by the Virginia Lottery. Jackpot prizes payable also includes "For Life" estimated prizes payable monthly, quarterly, or annually for the life of the winner based on life expectancy table from the Virginia Bureau of Insurance, and funded with a pool of U.S. Treasury STRIPS.

Jackpot prizes payable represent the future annual prize payments valued at cost plus accrued interest (present value) of the investment securities funding the payments.

	Year Ended June 30, 1999	Year Ended June 30, 1998
Jackpot Prizes Payable:		
Due within one year	\$ 64,623,875	\$ 63,705,643
Due in subsequent years	<u>518,196,615</u>	<u>531,714,236</u>
Total (present value)	582,820,490	595,419,879
Add: Interest to maturity	<u>346,865,510</u>	<u>379,111,121</u>
Jackpot prizes payable at maturity	<u>\$ 929,686,000</u>	<u>\$ 974,531,000</u>

Other prizes payable represent unclaimed prizes from drawings or games which have ended and are redeemable up to 180 days after the drawing or game end. The "For Life" bonds that have not been purchased are reported as other prizes payable.

6. OPERATING LEASE COMMITMENTS

The Virginia Lottery is committed under various operating lease agreements. Rent expense under operating lease agreements were \$5,493,952 and \$4,219,913 as of June 30, 1999 and 1998, respectively. A summary of future obligations under these agreements as of June 30, 1999 follows:

<u>Year Ending June 30,</u>	<u>Operating Lease Obligations</u>
2000	\$ 5,425,942
2001	3,200,400
2002	<u>266,700</u>
Total commitments and gross minimum payments	<u>\$ 8,893,042</u>

7. COMPENSATED ABSENCES

Compensated absences represent the amounts of vacation, sick, and compensatory leave earned by employees of the Virginia Lottery but not taken at June 30, 1999 and 1998. The amounts reflect all earned leave payable under the Commonwealth of Virginia's leave pay-out policy upon employment termination. Compensated absences were calculated in accordance with Governmental Accounting Standards Board (GASB) Statement No. 16 Accounting for Compensated Absences. This statement requires the accrual of the following: sick leave earned by employees who, while not currently vested for payment, will probably attain the five years of service required to vest for payment; and social security and Medicare taxes to be paid by the Virginia Lottery on all accrued compensated absences.

8. RETAINED EARNINGS, RESERVED

Virginia Lottery regulations required the establishment of a Lottery prize special reserve through June 29, 1999. The Lottery prize special reserve was to be used if Lottery prize pay-outs exceeded unreserved cash on hand. The reserve requirement was five percent of gross Lottery revenue from the previous year or five million dollars, whichever was less. There was no reserve required as of June 30, 1999.

9. LINE OF CREDIT

The State Comptroller has provided the Virginia Lottery with an interest-free line of credit not to exceed \$25,000,000 in accordance with Section 3-2.03 of Chapter 935, 1999 Acts of Assembly, to fund administrative and operating expenses in the event unreserved cash is insufficient

to cover these short-term costs. There was a \$12,000,000 loan payable under this arrangement as of June 30, 1999, (repaid on July 27, 1999) and no borrowings as of June 30, 1998.

10. LITERARY FUND AND SET-OFF DEBT COLLECTION PAYMENTS

Prizes unclaimed after 180 days are paid to the Literary Fund of the Commonwealth. Payments to the Literary Fund by the Virginia Lottery totaled \$9,348,632 and \$10,578,505 for the years ended June 30, 1999 and 1998, respectively.

The Virginia Lottery participates in the Setoff Debt Collection Act whereby certain prize payments are withheld to set-off state obligations the prize winner owes. The Virginia Lottery collected \$745,527 and \$996,589 for the years ended June 30, 1999 and 1998, respectively.

11. PENSION PLAN AND OTHER POST RETIREMENT BENEFITS

Employees of the Lottery are employees of the Commonwealth of Virginia. The employees participate in a defined benefit retirement plan administered by the Virginia Retirement System (VRS). The VRS also administers life insurance and health related plans for retired employees. Information relating to these plans is available at the statewide level only in the Commonwealth of Virginia's Comprehensive Annual Financial Report (CAFR). The Commonwealth of Virginia, not the Lottery, has the overall responsibility for contributions to these plans.

12. YEAR 2000 READINESS

Many existing computer programs use only two digits to identify a year in the date field. These programs were designed and developed without considering the impact of the upcoming change in the century. If not corrected, these programs could fail or create erroneous results by or at the Year 2000. In addition, the Year 2000 is a leap year, which may generate additional problems.

The Lottery recognizes the need to ensure its critical business operations will not be adversely impacted by Year 2000 failures. The Lottery has modified its computer systems to address this issue, with particular emphasis on its "mission critical" systems. However, due to the interdependent nature of computer systems, the Lottery may be adversely impacted in the Year 2000 depending on whether it or other entities not affiliated with the Lottery address this issue successfully. This includes a number of financial systems of the Commonwealth of Virginia such as: CIPPS (Commonwealth Integrated Payroll / Personnel System, CARS (Commonwealth Accounting and Reporting System), and STARS (State Tax And Reporting System). The Lottery has developed temporary alternatives should these systems fail to be available to process transactions in the Year 2000. Readers should refer to the Commonwealth of Virginia's Comprehensive Annual Financial Report for additional information regarding Year 2000 readiness.

To guide the Year 2000 compliance project, the Lottery has completed a management plan that included the following phases:

Awareness - In the fall of 1998, the Lottery assembled a team representing nearly every area of Lottery operations to define the Year 2000 problem. This team had executive level support for time and resources to identify all dates critical to Lottery operations that could have the potential to cause problems with information systems processes. Everyone in the organization was made fully aware of the issue.

- Assessment - Staff members identified all tasks and systems within the organization for testing, developed contingency plans to handle potential system failures, and identified and secured the necessary resources.
- Remediation - Final application changes were installed to the operational environment in January 1999. An isolated test network was constructed which replicated the operational environment.
- Testing and Validation - Testing and validation began on February 10, 1999, and was completed on June 22, 1999. The test team developed test scripts prior to testing and used these throughout the test process, which simulated the Lottery's operational environment. Results were verified and compared against expectations. Where errors or differences occurred, corrections were made and re-tested. Although not mission-critical, the only significant system not Year 2000 compliant is the Player Information System, which will be replaced sometime in October 1999.

Additionally, the Lottery has developed a contingency plan, which includes scenarios depicting failures to critical supplies and resources. These scenarios cover supply chain failures, utility service disruption, and human resource issues. The impact of each scenario was evaluated and management plans were created to address each. The Commonwealth's CDCI (Century Date Change Initiative) external auditors reviewed these plans.

STATE LOTTERY DEPARTMENT
Richmond, Virginia

STATE LOTTERY BOARD
As of June 30, 1999

Stuart C. Siegel, Chairman

Stephen C. Fogleman, Vice Chairman

Virginia D. Hall

Paul J. Lanteigne

Enoch W. Love, Jr.

Penelope W. Kyle, Director