



Dave Yost • Auditor of State



OHIO LOTTERY COMMISSION  
CUYAHOGA COUNTY

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Ohio Lottery Commission  
Cuyahoga County  
615 West Superior Avenue  
Cleveland, Ohio 44113

We have performed the procedures enumerated below, which were agreed to by the Ohio Lottery Commission (the Commission) and the other member lotteries in the states of California, Georgia, Illinois, Massachusetts, Michigan, New Jersey, New York, Texas, Virginia and Washington (referred to as the "Member Lotteries") who operate Powerball, solely to assist the Commission and Member Lotteries with respect to the evaluation of the following financial information associated with Powerball: The Commission sales and prize expense for the period April 1, 2015 through March 31, 2016. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. 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. Our procedures were as follows:

- a) We obtained from the Commission the "Draw Activity" and "Fixed Prize Analysis" for the period April 1, 2015 through March 31, 2016 (attached as Exhibit I and Exhibit II, respectively). We proved their mathematical accuracy with no exceptions noted.
- b) We haphazardly selected the following five (5) drawings from the period April 1, 2015 to March 31, 2016 for testing and performed procedures "c", "d", and "e" below:

July 29, 2015  
August 22, 2015  
November 28, 2015  
January 13, 2016  
March 30, 2016

- c) For each draw date selected in step "b" above, we compared the total amount of sales as shown on the daily sales report produced by the Commission's gaming system and the total amount of sales shown on the related daily sales report produced by 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 fixed prizes for the draw dates selected in step "b" above, based on the total number of winners from the Commission's gaming system for each prize level and the prize structure of the Powerball 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.

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- 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 Powerball Prize Settlement Reports and found them to be in agreement.
- f) For the period identified in step "a" above, we haphazardly selected two months (May 2015 and June 2015) and obtained the "Expired Prize Settlement Report" distributed by the Virginia Lottery. For the two months selected, we obtained from the Commission Internal Control System (ICS) the actual fixed prizes awarded, and the prizes unclaimed. We compared the ICS 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 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 noted that no amounts listed in the "Cash Option" column of the "Draw Activity" report attached as Exhibit I.
- i) We noted no purchase of investments associated with the jackpot prizes.
- j) We compared the total of the period transfers from the Commission to the Virginia Lottery for settlement of the fixed prize liability as shown in the Commission's cash disbursement subsidiary records to the amount listed in the "Qtrly/Yrly Settlement Transfers In (Out)" column on the "Fixed Prize Analysis" report attached as Exhibit II and found them to be in agreement.
- k) We compared the balance listed as the Commission's payable as of March 31, 2016 for the fixed prizes as shown on the "Fixed Prize Analysis" report attached as Exhibit II to the Commission's financial accounting records and to the Powerball Prize Settlement Report as of March 31, 2016 and found them to be in agreement.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the Commission sales and prize expense for the period April 1, 2015 through March 31, 2016. 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 use of the Commission and Member Lotteries, and is not intended to be and should not be used by anyone else.

**Dave Yost**  
Auditor of State

September 13, 2016

Exhibit I – Draw Activity  
Exhibit II – Fixed Prize Analysis

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	Draw Date	Sales	Actual Fixed	Share Profz Fixed	Announced JP	Cash Options
	4/01/2015	615,654	44,195	134,721		
	4/04/2015	706,862	1,058,446	144,047		
	4/08/2015	639,108	47,846	51,689		
PB	4/11/2015	726,226	55,038	148,289		
	4/15/2015	557,536	42,032	45,292		
PB	4/18/2015	621,284	59,747	144,086		
	4/22/2015	534,364	40,552	39,864		
	4/25/2015	608,672	46,344	53,926		
	4/29/2015	548,204	39,770	218,657		
	5/02/2015	643,032	51,919	321,563		
	5/06/2015	590,560	53,119	46,080		
	5/09/2015	667,506	71,285	59,058		
	5/13/2015	678,970	1,056,615	149,085		
	5/16/2015	776,280	73,855	59,633		
	5/20/2015	766,192	58,825	61,297		
	5/23/2015	896,390	76,281	71,941		
	5/27/2015	829,336	70,207	149,882		
	5/30/2015	982,260	91,456	82,610		
PB	6/03/2015	1,028,962	93,486	97,597		
	6/06/2015	646,664	47,324	54,429		
	6/10/2015	569,346	51,246	46,913		
	6/13/2015	634,532	57,071	232,869		
	6/17/2015	593,862	48,771	52,715		
PB	6/20/2015	672,040	49,865	58,767		
	6/24/2015	526,110	58,731	143,707		
	6/27/2015	588,762	1,042,227	315,195		
	7/01/2015	556,994	1,041,843	135,895		
PB	7/04/2015	603,066	49,709	60,801		
	7/08/2015	522,416	42,777	46,403		
	7/11/2015	582,202	44,397	46,044		
	7/15/2015	528,016	41,448	44,475		
	7/18/2015	597,222	43,122	44,817		
	7/22/2015	565,194	45,218	51,003		
	7/25/2015	666,492	47,628	51,848		
	7/29/2015	717,212	66,935	146,067		
CA	8/01/2015	827,308	72,040	71,053		
	8/05/2015	553,346	43,971	50,329		
	8/08/2015	604,848	45,006	49,234		
	8/12/2015	568,930	52,827	44,440		
	8/15/2015	642,702	48,247	142,513		
	8/19/2015	597,324	50,192	142,429		
	8/22/2015	687,106	61,887	249,142		
	8/26/2015	725,876	64,656	57,674		
	8/29/2015	802,772	68,495	153,217		
	9/02/2015	790,174	56,898	60,861		
	9/05/2015	921,514	79,112	80,071		
	9/09/2015	892,332	67,665	259,100		
	9/12/2015	1,024,662	76,227	86,865		
	9/16/2015	1,127,268	108,248	119,227		
	9/19/2015	1,383,554	113,048	574,843		
	9/23/2015	1,670,150	127,361	233,676		
	9/26/2015	1,870,218	154,291	547,467		
MI	9/30/2015	2,844,566	234,994	225,383		

	Draw Date	Sales	Actual Fixed	Share Profz Fixed	Announced JP	Cash Options
	10/03/2015	631,974	68,167	53,581		
	10/07/2015	539,896	47,934	239,084		
	10/10/2015	618,992	101,949	61,693		
	10/14/2015	590,524	102,232	78,477		
	10/17/2015	666,904	56,595	70,473		
	10/21/2015	641,084	58,675	67,720		
	10/24/2015	772,266	115,516	83,568		
	10/28/2015	711,588	63,373	67,499		
	10/31/2015	877,476	86,193	101,877		
PB	11/04/2015	881,186	131,409	118,591		
	11/07/2015	630,492	107,903	172,816		
	11/11/2015	539,202	45,954	58,782		
	11/14/2015	612,438	106,950	84,823		
	11/18/2015	551,730	46,967	61,709		
	11/21/2015	639,958	54,640	58,972		
	11/25/2015	661,606	56,262	60,331		
	11/28/2015	658,556	55,982	64,875		
	12/02/2015	744,354	68,072	85,238		
	12/05/2015	868,508	133,029	201,517		
	12/09/2015	909,002	79,513	120,528		
	12/12/2015	1,024,430	87,710	131,899		
	12/16/2015	1,048,798	191,107	217,467		
	12/19/2015	1,293,238	164,414	150,901		
	12/23/2015	1,504,558	133,679	167,727		
	12/26/2015	1,345,948	113,218	139,799		
	12/30/2015	2,347,430	303,017	259,899		
	1/02/2016	2,972,942	422,682	389,076		
	1/06/2016	11,663,432	1,287,885	1,685,348		
	1/09/2016	28,473,992	5,489,442	4,490,214		
CA/PB	1/13/2016	37,938,610	7,641,481	7,275,348		
	1/16/2016	1,269,572	159,171	241,797		
	1/20/2016	879,462	123,886	188,955		
	1/23/2016	890,926	76,187	81,578		
	1/27/2016	827,302	71,313	89,373		
	1/30/2016	911,220	133,995	198,894		
	2/03/2016	916,000	177,875	104,334		
	2/06/2016	1,034,640	96,317	211,920		
	2/10/2016	948,650	85,404	101,079		
	2/13/2016	1,060,784	144,550	225,605		
	2/17/2016	1,032,768	94,776	223,065		
	2/20/2016	1,248,212	113,620	438,726		
	2/24/2016	1,277,566	166,505	155,444		
	2/27/2016	1,392,112	125,310	260,354		
PB	3/02/2016	1,452,792	128,401	157,814		
	3/05/2016	780,476	118,081	71,690		
	3/09/2016	648,714	157,589	78,856		
	3/12/2016	713,826	60,215	64,379		
	3/16/2016	664,762	57,797	159,931		
	3/19/2016	729,342	65,523	94,993		
	3/23/2016	692,940	165,896	210,447		
	3/26/2016	818,700	71,825	185,706		
	3/30/2016	764,514	66,397	78,484		
* Totals *		165,838,572	27,317,078	27,202,045		

	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In(Out)	Receivable (Payable)
California					
Georgia	1,471,753	37,070,610	30,349,279	8,099,798	93,286
Illinois	1,365,949	26,920,534	30,687,802	2,523,615-	122,296
Massachusetts	30,624-	27,846,409	24,503,905	4,154,258	842,378-
Maryland					
Michigan	296,468-	28,984,742	28,342,982	1,332,723	987,431-
New Jersey	1,987,772-	37,477,670	41,235,922	6,516,048-	770,024
New York	488,585-	71,518,124	72,993,972	2,883,248-	918,815
Ohio	233,185-	27,317,078	27,202,045	766,532	884,684-
POWER BALL					
Texas					
Virginia	216,401-	24,431,698	23,742,789	857,346-	1,329,854
Washington State	415,333	11,770,657	14,278,826	1,573,054-	519,782-
<b>** Totals **</b>		<b>293,337,522</b>	<b>293,337,522</b>		