



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 (OLC) and the other member lotteries in the states of California, Georgia, Illinois, Maryland, Massachusetts, Michigan, New Jersey, New York, Virginia, Texas, and Washington (referred to as the "Member Lotteries") who operate Mega Millions, solely to assist the OLC and Member Lotteries with respect to the evaluation of the following financial information associated with Mega Millions: The OLC sales and prize expense for the period April 1, 2011 through March 31, 2012. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the 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 OLC the "Draw Activity" and "Fixed Prize Analysis" reports for the period April 1, 2011 to March 31, 2012 (attached as Exhibit I and Exhibit II, respectively). We proved their mathematical accuracy with no exceptions noted.
- b) We randomly selected the following five (5) drawings from the period April 1, 2011 to March 31, 2012 for testing and performed procedures "c", "d", and "e" below:

December 23, 2011  
January 3, 2012  
January 6, 2012  
February 14, 2012  
March 27, 2012

- 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 OLC'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 OLC's gaming system for each prize level and the prize structure of the Mega Millions' 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 Mega Millions Prize Settlement Reports and found them to be in agreement.
- f) For the period identified in step "a" above, we selected two months (April 2011 and June 2011) and obtained the "Expired Prize Settlement Report" distributed by the Virginia Lottery. For the two months selected, we obtained from the OLC 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) For the amounts listed in the "Cash Option Amount" column of the "Draw Activity" report attached as Exhibit I, we obtained and compared the amount to the OLC's cash disbursement subsidiary records which summarize the funds disbursed to the prize winner.
- i) We noted no purchase of investments associated with the jackpot prizes.
- j) We compared the total of the period transfers from the OLC to the Virginia Lottery for settlement of the fixed prize liability as shown in the OLC'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.
- k) We compared the balance listed as the OLC's receivable as of March 30, 2012 for the fixed prizes as shown on the "Fixed Prize Analysis" report attached as Exhibit II to the OLC's financial accounting records and to the Mega Millions Prize Settlement Report as of March 31, 2012 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 OLC sales and prize expense for the period April 1, 2011 through March 31, 2012. 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 Ohio Lottery Commission and Member Lotteries, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

October 1, 2012

Exhibit I – Draw Activity  
Exhibit II – Fixed Prize Analysis

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	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
	4/01/2011	1,198,085	142,997	199,829		
	4/05/2011	1,164,075	124,320	207,186		
	4/08/2011	1,390,697	386,687	245,217		
	4/12/2011	1,305,059	136,416	242,584		
NY	4/15/2011	1,524,186	153,466	231,384		
	4/19/2011	1,059,020	111,683	153,582		
	4/22/2011	1,170,135	112,509	222,499		
	4/26/2011	1,084,404	123,698	184,359		
	4/29/2011	1,269,243	170,629	207,692		
CA	5/03/2011	1,222,306	126,560	203,327		
	5/06/2011	1,068,773	130,479	216,778		
	5/10/2011	950,424	109,921	97,392		
MI	5/13/2011	1,081,794	366,780	227,378		
	5/17/2011	912,434	91,621	133,435		
	5/20/2011	1,010,852	126,944	140,819		
	5/24/2011	922,041	106,427	127,978		
TX	5/27/2011	1,054,587	153,695	214,340		
	5/31/2011	774,763	87,219	85,833		
	6/03/2011	974,988	93,885	147,428		
	6/07/2011	898,533	110,653	149,534		
	6/10/2011	1,028,127	152,844	219,496		
	6/14/2011	1,011,458	123,264	221,315		
	6/17/2011	1,159,197	114,751	156,531		
	6/21/2011	1,109,364	120,765	223,089		
	6/24/2011	1,269,675	148,134	183,848		
	6/28/2011	1,222,762	154,959	186,577		
VA	7/01/2011	1,629,038	420,423	313,188		
	7/05/2011	815,782	343,189	133,577		
	7/08/2011	958,137	105,544	167,153		
	7/12/2011	891,726	116,988	159,715		
	7/15/2011	1,009,255	110,750	112,258		
	7/19/2011	944,781	157,672	192,662		
	7/22/2011	1,042,511	97,148	103,876		
	7/26/2011	1,023,992	363,910	194,535		
	7/29/2011	1,186,179	132,783	197,194		
	8/02/2011	1,200,767	142,995	227,579		
OH	8/05/2011	1,404,439	164,419	230,515		65,381,968.00
	8/09/2011	875,850	84,443	97,705		
	8/12/2011	951,846	98,489	167,035		
	8/16/2011	897,217	129,772	162,180		
MA	8/19/2011	1,018,917	109,525	177,306		
	8/23/2011	832,953	344,280	134,432		
	8/26/2011	910,538	107,266	147,241		
	8/30/2011	855,956	109,392	103,432		
	9/02/2011	989,789	116,152	126,047		
	9/06/2011	851,445	342,099	160,173		
	9/09/2011	1,090,801	132,247	236,532		
	9/13/2011	1,031,448	126,820	128,045		
	9/16/2011	1,168,903	374,576	230,197		
	9/20/2011	1,119,671	115,444	173,467		
	9/23/2011	1,367,941	133,818	211,652		
	9/27/2011	1,409,921	663,878	285,843		

Exhibit I

	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
CA/PB	9/30/2011	1,787,386	501,076	357,058		
	10/04/2011	897,267	117,902	145,640		
	10/07/2011	945,464	143,048	194,427		
	10/11/2011	865,889	82,549	117,639		
	10/14/2011	1,000,839	107,415	176,402		
	10/18/2011	918,088	99,609	131,880		
	10/21/2011	1,036,614	357,411	181,054		
	10/25/2011	980,587	128,905	154,823		
	10/28/2011	1,130,122	132,802	232,654		
CA	11/01/2011	1,120,353	647,851	206,427		
	11/04/2011	975,865	102,232	173,400		
	11/08/2011	852,269	344,836	160,475		
	11/11/2011	1,019,533	355,945	206,441		
	11/15/2011	890,262	114,850	134,648		
	11/18/2011	995,793	128,932	138,313		
	11/22/2011	972,549	115,902	154,016		
	11/25/2011	964,512	111,903	142,578		
	11/29/2011	1,016,813	119,385	177,226		
	12/02/2011	1,206,129	385,210	235,819		
	12/06/2011	1,272,701	396,598	240,412		
	12/09/2011	1,656,737	437,681	307,108		
	12/13/2011	1,695,948	221,048	297,870		
	12/16/2011	1,940,666	245,230	356,377		
	12/20/2011	2,109,333	721,390	362,659		
	12/23/2011	2,541,558	1,092,501	784,558		
NY	12/27/2011	2,717,547	316,720	468,934		
	12/30/2011	1,063,429	143,459	115,259		
	1/03/2012	845,159	97,865	151,993		
	1/06/2012	1,011,692	122,910	205,861		
	1/10/2012	958,241	103,461	101,329		
	1/13/2012	1,022,558	114,955	118,070		
	1/17/2012	1,014,519	116,854	114,114		
	1/20/2012	1,155,160	132,517	227,389		
GA	1/24/2012	1,097,306	133,817	224,725		
	1/27/2012	966,243	100,323	156,395		
	1/31/2012	931,677	367,976	167,310		
	2/03/2012	1,083,403	156,128	145,967		
	2/07/2012	1,023,043	123,477	210,306		
	2/10/2012	1,218,339	663,482	282,787		
	2/14/2012	1,107,511	205,502	322,733		
	2/17/2012	1,220,581	136,177	191,721		
	2/21/2012	1,150,782	402,516	142,157		
	2/24/2012	1,388,735	425,645	342,592		
	2/28/2012	1,413,840	167,434	155,681		
	3/02/2012	1,771,130	199,156	332,430		
	3/06/2012	1,856,689	198,506	316,817		
	3/09/2012	2,104,679	258,303	421,637		
	3/13/2012	2,206,385	288,919	381,498		
	3/16/2012	2,823,666	312,162	416,897		
	3/20/2012	3,238,368	1,061,164	1,192,908		
	3/23/2012	4,564,766	562,812	997,703		
	3/27/2012	7,696,084	1,389,842	1,412,916		

Exhibit I

	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
IL/MD/PB	3/30/2012	25,337,747	5,361,419	4,644,515		
* Totals *		161,099,341	29,801,040	29,135,517		

	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In(Out)	Receivable (Payable)
California					
Georgia	297,849	24,828,326	27,471,131	575,453-	1,769,503-
Illinois	642,417-	33,081,185	31,500,511	569,409-	1,507,666
Massachusetts	442,122-	18,992,548	17,458,083	6,551	1,085,792
Maryland	106,319-	18,124,803	19,006,802	181,901-	806,417-
Michigan	84,964-	30,336,912	30,136,500	156,697	41,249-
New Jersey	559,600	40,890,668	41,769,925	1,136,735	1,456,392-
New York	431,705	83,111,931	83,210,405	191,152	142,079
Ohio	90,457	29,801,040	29,135,517	576,418	179,562
POWER BALL					
Texas	630,218	38,570,202	38,520,343	253,059	427,018
Virginia	997,905-	22,123,754	23,367,423	2,245,194-	3,620
Washington State	263,898	12,319,107	10,603,836	1,251,345	727,824
<b>** Totals **</b>		<b>352,180,476</b>	<b>352,180,476</b>		



# Dave Yost • Auditor of State

**OHIO LOTTERY COMMISSION MEGA MILLIONS**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
NOVEMBER 27, 2012**