



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 (Commission) 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 Commission and Member Lotteries with respect to the evaluation of the following financial information associated with Mega Millions: The Commission sales and prize expense for the period April 1, 2012 through March 31, 2013. We followed the American Institute of Certified Public Accountants' standards for agreed-upon procedures engagements 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 Commission the "Draw Activity" and the "Fixed Prize Analysis" reports for the period April 1, 2012 to March 31, 2013 (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, 2012 to March 31, 2013 for testing and performed procedures "c", "d", and "e" below:

October 5, 2012  
November 27, 2012  
December 14, 2012  
February 5, 2013  
March 29, 2013

- 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 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 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 (August 2012 and October 2012) 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) 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 Commission's cash disbursement subsidiary records which summarize the funds disbursed to the prize winner and found them to be in agreement.
- 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 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 Commission's receivable as of March 31, 2013 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 Mega Millions Prize Settlement Report as of March 31, 2013 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, 2012 through March 31, 2013. 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 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 initial "D".

**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
	4/03/2012	1,151,490	118,157	137,925		
	4/06/2012	1,182,347	143,967	201,617		
	4/10/2012	1,066,600	143,080	214,186		
	4/13/2012	1,266,362	135,773	213,949		
	4/17/2012	1,121,159	118,052	264,780		
	4/20/2012	1,273,634	159,026	226,102		
	4/24/2012	1,178,156	144,026	183,520		
	4/27/2012	1,409,903	437,923	278,500		
IL	5/01/2012	1,449,151	159,613	231,401		
	5/04/2012	1,662,961	440,601	295,882		
	5/08/2012	956,438	146,018	247,419		
CA	5/11/2012	1,044,482	123,973	216,819		
	5/15/2012	938,056	436,023	248,416		
	5/18/2012	979,295	106,087	135,816		
	5/22/2012	880,812	102,597	100,599		
	5/25/2012	988,382	110,681	160,866		
CA	5/29/2012	817,887	81,646	135,906		
	6/01/2012	949,386	95,316	141,073		
	6/05/2012	859,195	91,191	88,429		
	6/08/2012	946,694	103,478	134,073		
	6/12/2012	865,521	94,527	98,707		
	6/15/2012	994,083	121,148	214,380		
	6/19/2012	924,328	103,438	178,709		
	6/22/2012	1,047,953	144,348	226,029		
	6/26/2012	993,859	383,400	185,741		
	6/29/2012	1,097,490	119,588	125,501		
NY	7/03/2012	1,095,722	369,773	162,146		
	7/06/2012	876,645	338,748	189,386		
	7/10/2012	832,086	141,296	283,679		
	7/13/2012	956,087	121,482	182,459		
	7/17/2012	870,558	96,704	108,496		
	7/20/2012	969,183	107,035	106,410		
	7/24/2012	896,311	102,684	123,290		
CA	7/27/2012	1,005,324	388,445	248,906		
	7/31/2012	800,166	102,336	92,760		
	8/03/2012	885,764	92,405	148,068		
	8/07/2012	828,558	83,518	94,652		
	8/10/2012	923,433	98,340	151,699		
	8/14/2012	895,626	83,875	106,979		
	8/17/2012	1,022,965	363,453	182,459		
	8/21/2012	923,090	386,334	225,040		
	8/24/2012	1,040,166	116,072	153,207		
	8/28/2012	986,752	104,684	183,760		
	8/31/2012	1,137,179	104,393	173,947		
	9/04/2012	1,011,712	115,124	153,451		
	9/07/2012	1,342,613	150,777	180,425		
CA	9/11/2012	1,392,321	164,410	247,040		
	9/14/2012	905,847	113,325	123,701		
NY	9/18/2012	788,080	86,629	155,654		
	9/21/2012	844,376	80,641	149,294		
	9/25/2012	761,817	337,707	155,608		
	9/28/2012	867,777	102,083	124,593		

	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
	10/02/2012	816,199	93,068	117,221		
	10/05/2012	909,248	92,442	191,160		
	10/09/2012	839,540	92,287	174,044		
	10/12/2012	948,669	387,485	204,440		
CA/MA	10/16/2012	897,754	102,322	98,902		
	10/19/2012	823,410	335,712	114,528		
	10/23/2012	732,108	63,973	93,983		
	10/26/2012	822,826	119,431	158,523		
	10/30/2012	720,138	87,892	154,587		
NY	11/02/2012	868,989	104,579	179,549		
	11/06/2012	729,489	91,573	158,575		
	11/09/2012	788,042	100,173	207,142		
	11/13/2012	716,891	79,842	138,358		
	11/16/2012	819,874	87,457	137,663		
	11/20/2012	787,863	351,150	130,733		
	11/23/2012	803,641	80,573	111,295		
GA	11/27/2012	1,017,552	115,242	202,655		
	11/30/2012	842,776	106,128	144,224		
	12/04/2012	723,957	335,897	147,247		
	12/07/2012	795,150	578,134	169,240		
	12/11/2012	743,975	74,333	78,704		
CA	12/14/2012	834,376	329,737	106,162		
	12/18/2012	699,969	95,957	215,657		
	12/21/2012	737,524	73,324	99,130		
	12/25/2012	577,596	60,704	70,075		
	12/28/2012	718,443	65,405	153,231		
	1/01/2013	600,735	83,649	170,187		
	1/04/2013	777,279	85,808	82,312		
	1/08/2013	747,600	140,419	117,383		
	1/11/2013	834,805	76,344	106,679		
	1/15/2013	798,761	94,129	149,718		
	1/18/2013	905,304	88,871	218,268		
	1/22/2013	817,841	124,492	127,410		
NJ	1/25/2013	906,289	95,813	156,599		
	1/29/2013	665,714	80,242	103,014		
	2/01/2013	738,532	78,332	125,001		
MI	2/05/2013	680,797	102,817	119,157		
	2/08/2013	742,767	575,638	128,662		
	2/12/2013	678,516	68,860	78,506		
	2/15/2013	761,877	72,257	117,103		
MD	2/19/2013	699,065	336,386	168,787		
	2/22/2013	685,147	83,781	93,625		
	2/26/2013	669,941	132,796	120,317		
	3/01/2013	772,702	106,258	125,652		
	3/05/2013	737,133	90,160	91,721		
	3/08/2013	798,343	85,331	92,674		
OH	3/12/2013	755,709	110,820	148,223		29,992,685.00
	3/15/2013	749,474	118,322	130,102		
	3/19/2013	674,521	100,490	149,905		
	3/22/2013	787,078	75,620	119,999		
	3/26/2013	711,622	68,095	110,882		
	3/29/2013	792,587	92,909	190,264		
* Totals *		93,111,920	15,989,409	16,192,632		

	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In(Out)	Receivable (Payable)
California					
Georgia	1,769,503-	16,995,550	15,492,989	1,323,709-	1,056,767
Illinois	1,507,666	19,850,309	17,711,165	3,825,181	178,371-
Massachusetts	1,085,792	8,771,156	9,128,297	1,338,443	609,792-
Maryland	806,417-	12,592,702	11,757,950	278,485-	306,820
Michigan	41,249-	16,558,336	17,093,337	300,951-	275,299-
New Jersey	1,456,392-	19,961,608	21,713,024	2,422,337-	785,471-
New York	142,079	42,831,299	43,090,808	684,381-	566,951
Ohio	179,562	15,989,409	16,192,632	267,964-	244,303
POWER BALL					
Texas	427,018	19,163,542	19,930,647	354,430-	14,343
Virginia	3,620	14,269,706	14,372,013	130,945	229,632-
Washington State	727,824	5,098,699	5,599,454	337,688	110,619-
<b>** Totals **</b>		<b>192,082,316</b>	<b>192,082,316</b>		

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# 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  
DECEMBER 3, 2013**