



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 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, 2012 through March 31, 2013. 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, 2012 through 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:

August 8, 2012  
November 10, 2012  
December 5, 2012  
January 16, 2013  
March 13, 2013

- 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.
- 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 randomly selected two months (September 2012 and January 2013) 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, 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 Powerball 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 else.

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, 2013

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
	4/04/2012	737,128	1,054,178	193,013		
	4/07/2012	850,878	71,022	513,706		
	4/11/2012	852,332	72,504	69,534		
	4/14/2012	1,075,628	92,075	90,977		
	4/18/2012	1,077,520	77,858	82,036		
	4/21/2012	1,257,384	101,301	98,974		
PB	4/25/2012	1,292,212	99,876	106,353		
	4/28/2012	733,332	52,924	130,852		
	5/02/2012	588,876	45,516	46,398		
	5/05/2012	674,122	78,732	126,657		
	5/09/2012	674,050	49,530	121,555		
	5/12/2012	783,128	1,075,972	199,595		
	5/16/2012	750,842	70,144	138,480		
	5/19/2012	976,540	71,962	146,769		
	5/23/2012	945,776	67,088	136,970		
	5/26/2012	1,056,222	76,406	288,295		
	5/30/2012	999,912	1,094,239	150,201		
	6/02/2012	1,310,802	102,159	180,852		
	6/06/2012	1,322,482	99,328	105,465		
	6/09/2012	1,618,558	139,669	261,263		
PB	6/13/2012	1,828,904	179,571	221,424		
	6/16/2012	733,626	78,791	208,437		
	6/20/2012	620,766	45,068	119,246		
PB	6/23/2012	708,794	52,060	55,588		
	6/27/2012	566,572	49,837	44,894		
	6/30/2012	608,460	44,992	51,914		
	7/04/2012	551,606	43,282	46,278		
	7/07/2012	715,400	64,467	266,909		
	7/11/2012	722,614	73,331	197,281		
	7/14/2012	839,224	65,081	209,398		
	7/18/2012	905,258	1,078,345	270,696		
	7/21/2012	1,010,928	72,684	144,265		
	7/25/2012	993,456	70,805	141,482		
	7/28/2012	1,112,568	98,752	163,130		
	8/01/2012	1,203,102	90,130	214,949		
	8/04/2012	1,432,940	108,246	248,106		
	8/08/2012	1,777,728	1,165,037	821,784		
	8/11/2012	2,503,824	191,393	264,507		
MI	8/15/2012	5,257,282	452,241	558,194		
	8/18/2012	699,686	46,496	198,708		
	8/22/2012	620,612	45,266	181,652		
	8/25/2012	696,720	68,245	200,509		
	8/29/2012	651,930	46,868	49,087		
	9/01/2012	778,526	67,970	65,769		
	9/05/2012	711,978	55,189	55,470		
	9/08/2012	903,362	89,276	74,200		
	9/12/2012	927,794	67,443	214,227		
	9/15/2012	1,109,088	1,089,534	284,354		
	9/19/2012	1,206,236	113,970	110,352		
	9/22/2012	1,406,144	127,244	311,531		
PB	9/26/2012	1,763,726	153,516	406,246		
	9/29/2012	740,164	54,304	352,695		

	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
PB	10/03/2012	675,212	50,459	121,749		
	10/06/2012	676,424	53,983	59,812		
	10/10/2012	608,990	44,516	47,331		
	10/13/2012	680,862	64,385	61,064		
	10/17/2012	652,594	61,014	134,626		
	10/20/2012	784,890	59,948	203,109		
	10/24/2012	772,558	56,876	63,376		
	10/27/2012	1,017,202	75,621	82,853		
	10/31/2012	992,646	75,319	82,861		
	11/03/2012	1,168,848	105,307	321,632		
	11/07/2012	1,234,926	108,109	95,641		
	11/10/2012	1,424,646	101,170	310,355		
	11/14/2012	1,599,270	153,058	205,230		
	11/17/2012	2,004,358	178,029	480,544		
	11/21/2012	2,528,614	191,848	393,711		
	11/24/2012	4,149,088	331,254	795,114		
PB	11/28/2012	19,423,632	3,690,287	3,977,976		
	12/01/2012	814,016	62,422	215,103		
PB	12/05/2012	752,212	60,014	139,791		
	12/08/2012	766,138	56,986	136,613		
MA	12/12/2012	774,638	67,835	128,706		
	12/15/2012	724,576	60,936	198,799		
PB	12/19/2012	708,156	60,283	138,457		
	12/22/2012	715,902	55,089	334,928		
PB	12/26/2012	568,040	52,182	172,931		
	12/29/2012	646,824	57,438	49,671		
	1/02/2013	586,102	52,368	44,481		
	1/05/2013	701,860	50,872	190,656		
	1/09/2013	673,116	51,191	53,507		
	1/12/2013	761,918	1,071,839	201,325		
	1/16/2013	742,598	70,541	63,957		
	1/19/2013	1,054,184	85,360	158,611		
	1/23/2013	957,984	82,863	83,210		
	1/26/2013	1,123,342	87,584	155,525		
	1/30/2013	1,319,416	113,625	232,914		
	2/02/2013	1,539,770	120,922	421,767		
VA	2/06/2013	1,925,616	156,029	331,998		
	2/09/2013	779,926	59,104	211,921		
	2/13/2013	693,910	64,465	128,018		
	2/16/2013	789,954	67,827	124,928		
	2/20/2013	740,348	59,541	66,239		
	2/23/2013	843,756	65,265	326,594		
	2/27/2013	847,658	65,129	195,321		
	3/02/2013	1,170,364	97,614	92,181		
	3/06/2013	1,235,952	108,530	226,406		
	3/09/2013	1,515,550	1,122,575	190,267		
	3/13/2013	1,690,102	143,708	137,961		
	3/16/2013	2,210,966	166,842	841,402		
	3/20/2013	2,654,768	1,232,550	284,337		
NJ	3/23/2013	5,104,108	1,413,470	740,308		
	3/27/2013	712,046	61,701	54,971		
IL	3/30/2013	817,264	71,659	135,291		
* Totals *		135,944,582	23,319,459	24,587,306		

	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In(Out)	Receivable (Payable)
Georgia	676,501-	22,683,172	27,360,130	5,140,201-	213,258-
Illinois	730,628-	37,755,340	36,460,470	1,621,213-	2,185,455
Massachusetts	415,760-	20,408,157	22,178,520	987,325-	1,198,798-
Maryland	437,948-	17,300,295	20,304,880	4,497,112-	1,054,579
Michigan	470,660	22,283,100	26,742,798	2,590,585-	1,398,453-
New Jersey	218,920	48,826,403	45,361,228	3,118,190	565,905
New York	386,175-	89,246,331	86,974,838	4,233,107	2,347,789-
Ohio	457,885-	23,319,459	24,587,306	3,553,700-	1,827,968
POWER BALL					
Texas	112,705	45,416,819	44,427,246	2,005,416	903,138-
Virginia	1,557,967	26,887,578	21,499,239	5,922,578	1,023,728
Washington State	744,645	13,154,958	11,384,957	3,110,845	596,199-
** Totals **		367,281,612	367,281,612		

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# Dave Yost • Auditor of State

**OHIO LOTTERY COMMISSION POWERBALL**

**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**