



Dave Yost • Auditor of State



**OHIO LOTTERY COMMISSION  
CUYAHOGA COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Accountant's Report on Applying Agreed-Upon Procedures.....	1
Exhibit I - Powerball Multi-State Lottery - Draw Activity For the Period April 1, 2017 to March 31, 2018 .....	5
Exhibit II - Powerball Multi-State Lottery - Fixed Prize Analysis For the Period April 1, 2017 to March 31, 2018 .....	9

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# Dave Yost • Auditor of State

## 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, Maryland, 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, 2017 through March 31, 2018. 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.

This report only describes exceptions exceeding \$10.

Our procedures were as follows:

- a) We obtained from the Commission the "Draw Activity" and "Fixed Prize Analysis," for the period April 1, 2017 through March 31, 2018 (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, 2017 to March 31, 2018 for testing and performed procedures "c", "d", and "e" below:

June 14, 2017  
September 23, 2017  
November 25, 2017  
January 27, 2018  
February 24, 2018

- 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 haphazardly selected two months (May 2017 and June 2017) 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 inspected subsidiary bank and investment records to determine whether any purchases of investments associated with the jackpot prizes were made and found none.
- j) We compared the total of the period transfers from the Commission to/from the Virginia Lottery for settlement of the fixed prize liability as shown in the Commission's cash disbursement/cash receipts 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 receivable as of March 31, 2018 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, 2018 and found them to be in agreement.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants attestation standards and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Commission sales and prize expenses for the period April 1, 2017 through March 31, 2018. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is for the evaluation of the financial information enumerated in our procedures above and is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

**Dave Yost**  
Auditor of State

Columbus, Ohio

September 5, 2018

Exhibit I – Draw Activity  
Exhibit II – Fixed Prize Analysis

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	Draw Date	Sales	Actual FixedPrizes	Share of FixedPrizes	AmountAnnuitized JP	AmountCash Options	
PB	4/01/2017	688,484	57,090	62,165			
	4/05/2017	601,518	160,210	79,842			
	4/08/2017	670,766	110,043	72,108			
	4/12/2017	615,934	50,009	67,613			
	4/15/2017	699,462	119,567	89,174			
	4/19/2017	630,452	55,918	143,844			
	4/22/2017	739,010	64,556	99,665			
	4/26/2017	745,828	170,557	265,918			
	4/29/2017	841,392	79,620	96,166			
	5/03/2017	850,576	175,327	97,649			
	5/06/2017	957,928	85,237	219,011			
	5/10/2017	994,522	89,855	309,700			
	5/13/2017	1,122,474	199,480	213,341			
	5/17/2017	1,207,626	110,740	166,860			
	5/20/2017	1,343,940	222,572	189,785			
	5/24/2017	1,429,282	126,952	233,291			
	5/27/2017	1,597,544	199,222	297,992			
	5/31/2017	1,877,328	266,799	193,748			
	6/03/2017	2,252,054	1,198,625	407,199			
	6/07/2017	2,493,290	235,796	278,755			
	CA	6/10/2017	3,743,868	1,390,339	523,021		
		6/14/2017	636,722	53,056	56,128		
		6/17/2017	666,422	55,874	72,575		
		6/21/2017	602,266	58,224	78,423		
		6/24/2017	681,216	62,566	76,383		
		6/28/2017	643,760	57,679	74,617		
		7/01/2017	796,122	115,920	84,711		
		7/05/2017	706,778	211,341	92,047		
		7/08/2017	837,912	77,117	191,427		
		7/12/2017	807,870	76,470	190,211		
		7/15/2017	903,520	78,937	92,026		
		7/19/2017	860,638	124,300	97,304		
		7/22/2017	1,058,216	100,341	295,638		
7/26/2017		1,050,630	147,921	219,403			
7/29/2017		1,263,620	165,373	150,942			
8/02/2017		1,287,040	111,117	232,700			
8/05/2017		1,725,394	261,477	406,367			
8/09/2017		2,325,564	318,509	295,620			
8/12/2017		3,416,532	354,785	579,577			
8/16/2017		4,050,578	557,174	515,178			
8/19/2017		7,166,698	776,869	935,670			
MA	8/23/2017	14,694,480	3,153,219	3,460,949			
	8/26/2017	855,922	73,347	88,499			
	8/30/2017	723,448	122,818	96,712			
	9/02/2017	822,338	72,606	276,142			
	9/06/2017	729,516	62,023	164,712			
	9/09/2017	861,876	72,461	88,162			
PB	9/13/2017	798,192	120,459	84,485			
	9/16/2017	893,498	1,079,355	272,999			
* Totals *		77,970,046	13,689,852	13,376,454			

EXHIBIT I

# VIRGINIA LOTTERY

Page:1

POWER BALL  
Ohio Draw Activity

4/23/2018 2:43:47 PM

From 9/20/2017 To 3/31/2018

	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
	9/20/2017	625,124	105,190	66,919	0	0.00
	9/23/2017	683,380	107,984	74,990	0	0.00
	9/27/2017	642,918	57,162	249,605	0	0.00
	9/30/2017	723,380	64,343	82,123	0	0.00
	10/4/2017	710,590	59,299	79,162	0	0.00
	10/7/2017	819,686	80,309	103,056	0	0.00
	10/11/2017	783,778	122,123	112,924	0	0.00
	10/14/2017	888,448	131,428	93,570	0	0.00
	10/18/2017	858,640	79,671	86,135	0	0.00
	10/21/2017	967,194	85,577	100,653	0	0.00
PB	10/25/2017	950,696	238,248	132,248	0	0.00
	10/28/2017	667,244	61,464	65,733	0	0.00
	11/1/2017	596,786	104,706	71,078	0	0.00
	11/4/2017	690,500	118,468	101,338	0	0.00
	11/8/2017	626,794	54,290	74,690	0	0.00
	11/11/2017	705,848	112,037	86,327	0	0.00
	11/15/2017	690,316	60,096	79,028	0	0.00
	11/18/2017	774,344	70,966	81,374	0	0.00
	11/22/2017	788,874	78,841	87,573	0	0.00

EXHIBIT I

# VIRGINIA LOTTERY

Page:2

POWER BALL  
Ohio Draw Activity

4/23/2018 2:43:47 PM

From 9/20/2017 To 3/31/2018

	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
	11/25/2017	723,950	66,656	89,042	0	0.00
	11/29/2017	774,302	113,646	164,943	0	0.00
	12/2/2017	890,904	129,915	104,285	0	0.00
	12/6/2017	853,022	80,091	114,766	0	0.00
	12/9/2017	1,037,680	91,307	293,269	0	0.00
	12/13/2017	1,027,302	249,624	143,852	0	0.00
	12/16/2017	1,157,172	105,575	214,381	0	0.00
	12/20/2017	1,256,982	107,033	125,235	0	0.00
	12/23/2017	1,615,726	195,092	221,777	0	0.00
	12/27/2017	1,458,864	185,237	244,622	0	0.00
	12/30/2017	3,132,912	322,283	408,049	0	0.00
	1/3/2018	4,152,272	383,988	582,667	0	0.00
PB	1/6/2018	6,088,700	594,381	1,006,041	0	0.00
	1/10/2018	714,404	64,097	170,494	0	0.00
	1/13/2018	701,226	107,833	65,725	0	0.00
	1/17/2018	625,538	52,330	146,198	0	0.00
	1/20/2018	767,136	69,103	100,217	0	0.00
	1/24/2018	702,158	61,134	78,616	0	0.00
	1/27/2018	846,450	85,000	191,581	0	0.00

EXHIBIT I

# VIRGINIA LOTTERY

Page:3

POWER BALL  
Ohio Draw Activity

4/23/2018 2:43:47 PM

From 9/20/2017 To 3/31/2018

	Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
	1/31/2018	769,340	65,787	81,551	0	0.00
	2/3/2018	940,172	84,624	110,341	0	0.00
	2/7/2018	775,724	70,115	94,554	0	0.00
	2/10/2018	948,152	78,653	103,841	0	0.00
	2/14/2018	950,748	85,977	187,502	0	0.00
	2/17/2018	1,075,956	1,096,369	207,396	0	0.00
	2/21/2018	1,085,544	101,291	114,427	0	0.00
	2/24/2018	1,272,576	111,835	139,560	0	0.00
	2/28/2018	1,285,464	160,196	129,122	0	0.00
	3/3/2018	1,586,702	147,079	217,994	0	0.00
	3/7/2018	1,610,284	145,354	365,382	0	0.00
	3/10/2018	1,848,722	208,090	371,248	0	0.00
	3/14/2018	1,917,316	278,926	228,472	0	0.00
PB	3/17/2018	2,572,568	293,464	297,777	0	0.00
	3/21/2018	697,574	60,272	163,643	0	0.00
PB	3/24/2018	781,098	67,831	172,786	0	0.00
	3/28/2018	682,740	59,232	163,849	0	0.00
	3/31/2018	884,772	1,126,153	195,159	0	0.00
<b>* Totals *</b>		<b>64,406,692</b>	<b>9,097,775</b>	<b>9,635,890</b>		

EXHIBIT I

	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In(Out)	Receivable (Payable)
California					
Georgia	2,527,447	12,439,491	14,202,516	1,776,016	1,011,594-
Illinois	524,194-	15,247,904	14,736,258	723,740-	711,192
Massachusetts	226,464-	13,876,449	12,331,698	250,442-	1,568,729
Maryland	451,920	8,074,124	10,077,598	295,594-	1,255,960-
Michigan	1,964,938-	14,432,171	14,163,584	3,121,352-	1,425,001
New Jersey	1,051,199	23,285,616	22,276,238	1,142,096	918,481
New York	2,122,242	38,460,700	36,522,483	5,849,379	1,788,920-
Ohio	2,128,952-	13,689,852	13,376,454	1,138,012-	677,542-
POWER BALL					
Texas					
Virginia	1,224,539-	11,571,649	11,531,560	2,427,038-	1,242,588
Washington State	83,721-	4,453,310	6,312,877	811,313-	1,131,975-
<b>** Totals **</b>		<b>155,531,266</b>	<b>155,531,266</b>		

# VIRGINIA LOTTERY

Page:1

## POWER BALL Fixed Prize Analysis

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From 09/20/2017 To 03/31/2018

	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In(Out)	Receivable (Payable)
Georgia	(1,011,594)	10,497,786	10,648,100	(1,420,562)	258,654
Illinois	711,192	10,825,665	11,297,513	450,070	(210,726)
Massachusetts	1,568,729	9,959,049	8,907,122	2,283,541	337,115
Maryland	(1,255,960)	5,703,471	7,673,180	(1,597,010)	(1,628,659)
Michigan	1,425,001	11,175,235	11,102,205	3,241,189	(1,743,158)
New Jersey	918,481	16,907,730	15,439,745	713,124	1,673,342
New York	(1,788,920)	27,158,358	26,597,627	(2,737,306)	1,509,117
Ohio	(677,542)	9,097,775	9,635,890	(787,549)	(428,108)
Texas	0			0	
Virginia	1,242,588	7,967,370	8,727,447	1,090,994	(608,483)
Washington State	(1,131,975)	5,907,776	5,171,386	(1,236,491)	840,906
<b>Totals</b>		<b>115,200,215</b>	<b>115,200,215</b>		



# 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  
SEPTEMBER 20, 2018**