



VIRGINIA LOTTERY POWERBALL

REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE PERIOD APRIL 1, 2020 THROUGH MARCH 31, 2021

Auditor of Public Accounts

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June 29, 2021

Members of the Virginia Lottery Board
600 East Main Street
Richmond, Virginia

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the Virginia Lottery and the other member lotteries in states of California, Georgia, Illinois, Massachusetts, Maryland, Michigan, New Jersey, Ohio, and Washington (referred to as the "Member Lotteries"), which operate **Powerball**, solely to assist the Virginia Lottery and Member Lotteries with respect to the evaluation of the following financial information associated with Powerball: Virginia Lottery's sales and prize expense for the period April 1, 2020, through March 31, 2021, and the Virginia Lottery's payable as of March 31, 2021. Virginia Lottery is responsible for its records of the financial information associated with Powerball. The sufficiency of the procedures is solely the responsibility of the Virginia Lottery and Member Lotteries. 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.

The procedures that we performed, and our findings are as follows:

- A. We obtained from the Virginia Lottery the "Draw Activity" and the "Fixed Prize Analysis" reports for the period April 1, 2020, through March 31, 2021, and attached those as Exhibits I and II, respectively. We verified the mathematical accuracy of the schedules.
- B. We randomly selected the following five Powerball drawings from the period April 1, 2020, through March 31, 2021, and tested as indicated in "C," "D," and "E" below.

April 18, 2020
August 26, 2020
February 17, 2021

March 3, 2021
March 27, 2021

- 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 Virginia Lottery’s gaming system and the total amount of sales shown on the related daily sales report produced by the Virginia Lottery 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 the fixed prizes for the draw dates selected in step “B” above, based on the total number of winners from the Virginia Lottery’s gaming system for each prize level and the prize structure of Powerball’s 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. 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.
- G. For each draw date selected in step “B” above, there were no Tier (2) Two prizes won in the Virginia Lottery; therefore, no work was performed.
- H. We reviewed the “Cash Options Amount” column of the “Draw Activity” report attached as Exhibit I and found no amounts listed; therefore, no work was performed.
- I. There were no purchases of investments associated with jackpot prizes; therefore, no work was performed.
- J. We compared the total of the quarterly transfers to/from the Virginia Lottery for settlement of the fixed prize liability as shown in the Virginia Lottery’s cash disbursement/cash receipt 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 Virginia Lottery’s payable as of March 31, 2021, for the fixed prizes as shown on the “Fixed Prize Analysis” report attached as Exhibit II to the Virginia Lottery’s financial accounting records and to the Powerball Prize Settlement Report as of March 31, 2021, and found them to be in agreement.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. These agreed-upon procedures do not constitute an audit of financial statements or any part thereof, the objective of which is the expression of an opinion on the financial statements or a part thereof. 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 information and use of the Virginia Lottery and Member Lotteries as specified above and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

LDJ/clj

**Powerball
Virginia Lottery Draw Activity
From April 2020 through March 2021**

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
4/1/2020	\$ 547,554	\$ 93,928	\$ 59,184	\$ -	\$ -
4/4/2020	610,816	107,904	87,197	-	-
4/8/2020	548,512	52,775	71,117	-	-
4/11/2020	459,126	39,683	50,543	-	-
4/15/2020	404,466	36,770	51,652	-	-
4/18/2020	467,736	39,943	152,140	-	-
4/22/2020	417,946	34,103	45,464	-	-
4/25/2020	476,998	40,584	40,991	-	-
4/29/2020	437,390	35,524	46,172	-	-
5/2/2020	521,584	42,913	48,873	-	-
5/6/2020	467,248	37,120	146,243	-	-
5/9/2020	543,746	47,014	52,579	-	-
5/13/2020	487,534	39,728	40,223	-	-
5/16/2020	558,956	56,763	64,733	-	-
5/20/2020	512,830	47,721	47,749	-	-
5/23/2020	616,360	55,851	70,887	-	-
5/27/2020	562,080	45,710	57,456	-	-
5/30/2020	648,260	153,975	80,199	-	-
6/3/2020	594,842	101,670	61,998	-	-
6/6/2020	544,014	46,853	51,081	-	-
6/10/2020	487,958	41,376	56,976	-	-
6/13/2020	520,240	49,738	54,519	-	-
6/17/2020	463,454	42,515	47,274	-	-
6/20/2020	533,210	50,550	60,563	-	-
6/24/2020	482,128	89,533	51,234	-	-
6/27/2020	554,754	49,788	61,044	-	-
7/1/2020	516,422	44,740	43,996	-	-
7/4/2020	583,760	51,634	158,862	-	-
7/8/2020	531,440	51,092	75,947	-	-
7/11/2020	606,810	55,520	170,325	-	-

**Powerball
Virginia Lottery Draw Activity
From April 2020 through March 2021**

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
7/15/2020	540,102	49,562	53,997	-	-
7/18/2020	625,310	58,692	164,785	-	-
7/22/2020	564,032	47,673	180,790	-	-
7/25/2020	679,048	59,988	69,141	-	-
7/29/2020	665,558	56,853	87,119	-	-
8/1/2020	766,168	63,790	165,393	-	-
8/5/2020	711,300	60,309	76,069	-	-
8/8/2020	803,462	68,559	177,112	-	-
8/12/2020	747,490	115,826	114,208	-	-
8/15/2020	556,748	104,681	167,727	-	-
8/19/2020	483,800	1,091,179	155,176	-	-
8/22/2020	561,040	47,827	64,592	-	-
8/26/2020	494,788	44,285	54,413	-	-
8/29/2020	572,888	154,207	85,796	-	-
9/2/2020	516,862	100,040	58,765	-	-
9/5/2020	599,360	113,648	207,426	-	-
9/9/2020	521,600	44,316	49,872	-	-
9/12/2020	607,390	107,132	60,954	-	-
9/16/2020	565,214	48,121	58,315	-	-
9/19/2020	531,932	45,024	62,340	-	-
9/23/2020	474,358	88,642	50,051	-	-
9/26/2020	540,138	46,948	74,193	-	-
9/30/2020	487,092	93,059	170,574	-	-
10/3/2020	572,120	47,707	265,667	-	-
10/7/2020	511,416	95,009	70,319	-	-
10/10/2020	585,726	53,196	72,787	-	-
10/14/2020	526,738	148,514	74,186	-	-
10/17/2020	617,304	53,154	59,218	-	-
10/21/2020	565,066	98,554	69,933	-	-
10/24/2020	664,684	59,380	69,765	-	-
10/28/2020	603,684	108,703	83,022	-	-

**Powerball
Virginia Lottery Draw Activity
From April 2020 through March 2021**

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
10/31/2020	703,194	58,714	197,945	-	-
11/4/2020	621,020	52,758	68,950	-	-
11/7/2020	693,872	61,481	70,377	-	-
11/11/2020	627,404	111,429	71,641	-	-
11/14/2020	722,840	113,513	82,091	-	-
11/18/2020	649,460	113,439	76,090	-	-
11/21/2020	758,002	123,559	84,973	-	-
11/25/2020	797,926	65,867	104,920	-	-
11/28/2020	760,662	69,039	87,970	-	-
12/2/2020	777,754	71,657	89,768	-	-
12/5/2020	871,450	133,472	198,389	-	-
12/9/2020	809,056	127,228	83,900	-	-
12/12/2020	917,154	126,860	188,664	-	-
12/16/2020	843,756	1,085,064	198,238	-	-
12/19/2020	1,045,948	148,581	118,069	-	-
12/23/2020	1,161,080	151,855	211,206	-	-
12/26/2020	1,120,498	149,647	147,576	-	-
12/30/2020	1,388,766	118,826	138,525	-	-
1/2/2021	1,619,814	154,186	180,241	-	-
1/6/2021	2,226,812	408,377	261,572	-	-
1/9/2021	2,980,326	328,633	357,684	-	-
1/13/2021	3,898,104	1,394,968	880,064	-	-
1/16/2021	5,010,646	481,229	844,010	-	-
1/20/2021	5,462,078	559,189	1,388,572	-	-
1/23/2021	1,298,036	172,702	906,892	-	-
1/27/2021	704,754	64,495	80,554	-	-
1/30/2021	815,112	128,389	82,571	-	-
2/3/2021	595,296	57,003	71,369	-	-
2/6/2021	747,374	117,496	78,473	-	-
2/10/2021	628,400	114,858	179,422	-	-
2/13/2021	644,236	51,926	57,886	-	-

**Powerball
Virginia Lottery Draw Activity
From April 2020 through March 2021**

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
2/17/2021	658,842	54,875	66,019	-	-
2/20/2021	692,794	118,447	81,470	-	-
2/24/2021	691,902	108,679	79,723	-	-
2/27/2021	824,604	72,866	97,756	-	-
3/3/2021	797,540	62,613	91,215	-	-
3/6/2021	838,120	71,161	97,644	-	-
3/10/2021	762,372	1,069,865	186,831	-	-
3/13/2021	867,386	174,151	115,282	-	-
3/17/2021	876,370	74,076	194,404	-	-
3/20/2021	952,756	1,088,308	308,894	-	-
3/24/2021	880,226	133,232	211,289	-	-
3/27/2021	969,592	85,017	116,220	-	-
3/31/2021	558,410	96,963	62,533	-	-
Total	\$86,242,336	\$15,184,289	\$14,578,808	\$ -	\$ -

Powerball
Virginia Lottery Fixed Prize Analysis
From April 2020 through March 2021

Exhibit II

State	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In(Out)	Receivable (Payable)
Georgia	\$ (31,527)	\$ 19,944,923	\$ 18,740,476	\$ 383,125	\$ 789,795
Illinois	(1,871,475)	20,488,959	18,973,588	(3,063,838)	2,707,734
Massachusetts	629,792	13,490,466	14,662,798	1,027,619	(1,570,159)
Maryland	951,976	10,397,873	13,465,673	(1,132,324)	(983,500)
Michigan	(2,177,962)	21,591,097	18,809,812	1,673,432	(1,070,109)
New Jersey	(3,072,744)	24,923,532	26,071,478	(4,683,434)	462,744
Ohio	2,219,181	16,305,916	17,320,368	2,942,833	(1,738,104)
Virginia	2,420,935	15,184,289	14,578,808	3,467,905	(441,489)
Washington	931,824	8,795,731	8,499,785	(615,318)	1,843,088
Total	\$ -	\$151,122,786	\$151,122,786	\$ -	\$ -