



VIRGINIA LOTTERY POWER PLAY

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

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June 29, 2021

Members of the Virginia Lottery Board
600 East Main Street
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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 the states of Georgia, Illinois, Massachusetts, Maryland, Michigan, New Jersey, Ohio, and Washington (referred to as the "Member Lotteries"), which operate **Power Play**, solely to assist the Virginia Lottery and Member Lotteries with respect to the evaluation of the following financial information associated with Power Play: Virginia Lottery's sales and prize expense for the period April 1, 2020, through March 31, 2021 and the Virginia Lottery's receivable as of March 31, 2021. Virginia Lottery is responsible for its records of financial information associated with Power Play. 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 agreed-upon 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 Power Play draw dates from the period April 1, 2020, through March 31, 2021, and tested as indicated in "C," "D," and "E" below.

May 6, 2020
July 11, 2020
November 28, 2020

January 27, 2021
March 24, 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 the Power Play’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 Power Play 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 shared 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 Prize Tier (2) Two prizes won in the Virginia Lottery; therefore, no work was performed.
- H. 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.
- I. We compared the balance listed as the Virginia Lottery’s receivable 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 Power Play 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

Power Play
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 | \$ 66,035 | \$ 60,377 | \$ 17,251 | \$ - | \$ - |
| 4/4/2020 | 74,570 | 28,652 | 55,985 | - | - |
| 4/8/2020 | 66,419 | 26,894 | 25,792 | - | - |
| 4/11/2020 | 59,579 | 21,034 | 20,941 | - | - |
| 4/15/2020 | 54,158 | 19,360 | 18,959 | - | - |
| 4/18/2020 | 62,747 | 10,459 | 17,746 | - | - |
| 4/22/2020 | 55,849 | 36,704 | 64,678 | - | - |
| 4/25/2020 | 63,400 | 10,875 | 10,889 | - | - |
| 4/29/2020 | 59,217 | 10,070 | 9,356 | - | - |
| 5/2/2020 | 70,798 | 44,580 | 46,783 | - | - |
| 5/6/2020 | 63,337 | 30,720 | 170,120 | - | - |
| 5/9/2020 | 71,735 | 48,636 | 49,519 | - | - |
| 5/13/2020 | 66,179 | 21,714 | 21,562 | - | - |
| 5/16/2020 | 74,374 | 14,851 | 21,736 | - | - |
| 5/20/2020 | 68,472 | 13,151 | 13,265 | - | - |
| 5/23/2020 | 79,766 | 42,018 | 63,938 | - | - |
| 5/27/2020 | 73,005 | 23,980 | 37,679 | - | - |
| 5/30/2020 | 84,023 | 14,262 | 14,122 | - | - |
| 6/3/2020 | 78,227 | 63,074 | 27,152 | - | - |
| 6/6/2020 | 72,497 | 12,252 | 19,264 | - | - |
| 6/10/2020 | 65,013 | 43,564 | 99,596 | - | - |
| 6/13/2020 | 68,963 | 26,772 | 26,123 | - | - |
| 6/17/2020 | 62,530 | 24,082 | 23,311 | - | - |
| 6/20/2020 | 69,946 | 26,522 | 25,870 | - | - |
| 6/24/2020 | 64,749 | 120,830 | 35,789 | - | - |
| 6/27/2020 | 72,398 | 12,814 | 13,113 | - | - |
| 7/1/2020 | 69,549 | 34,767 | 35,008 | - | - |
| 7/4/2020 | 76,451 | 13,114 | 13,465 | - | - |
| 7/8/2020 | 69,991 | 120,411 | 181,897 | - | - |
| 7/11/2020 | 79,964 | 14,243 | 164,108 | - | - |
| 7/15/2020 | 72,140 | 116,433 | 116,846 | - | - |
| 7/18/2020 | 82,297 | 14,929 | 15,250 | - | - |
| 7/22/2020 | 74,555 | 23,728 | 25,154 | - | - |
| 7/25/2020 | 87,116 | 15,597 | 15,029 | - | - |
| 7/29/2020 | 83,159 | 13,623 | 27,666 | - | - |
| 8/1/2020 | 96,509 | 30,304 | 32,465 | - | - |
| 8/5/2020 | 89,307 | 63,008 | 62,543 | - | - |
| 8/8/2020 | 100,371 | 33,384 | 35,047 | - | - |

**Power Play
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 |
|------------|---------|---------------------|-----------------------|----------------------|---------------------|
| 8/12/2020 | 92,913 | 15,897 | 29,660 | - | - |
| 8/15/2020 | 74,385 | 28,576 | 28,818 | - | - |
| 8/19/2020 | 66,381 | 1,101,268 | 306,199 | - | - |
| 8/22/2020 | 76,794 | 28,550 | 27,156 | - | - |
| 8/26/2020 | 69,033 | 12,386 | 19,260 | - | - |
| 8/29/2020 | 77,322 | 14,797 | 14,604 | - | - |
| 9/2/2020 | 71,588 | 14,052 | 13,839 | - | - |
| 9/5/2020 | 80,314 | 68,416 | 174,401 | - | - |
| 9/9/2020 | 71,240 | 25,110 | 25,098 | - | - |
| 9/12/2020 | 80,582 | 15,312 | 14,770 | - | - |
| 9/16/2020 | 75,490 | 13,222 | 13,042 | - | - |
| 9/19/2020 | 71,249 | 35,496 | 58,803 | - | - |
| 9/23/2020 | 65,202 | 10,567 | 10,519 | - | - |
| 9/26/2020 | 72,372 | 25,304 | 54,381 | - | - |
| 9/30/2020 | 66,271 | 11,574 | 160,182 | - | - |
| 10/3/2020 | 76,948 | 12,515 | 170,836 | - | - |
| 10/7/2020 | 68,904 | 11,821 | 18,847 | - | - |
| 10/10/2020 | 77,116 | 27,524 | 27,118 | - | - |
| 10/14/2020 | 69,610 | 12,983 | 12,955 | - | - |
| 10/17/2020 | 80,154 | 13,509 | 21,201 | - | - |
| 10/21/2020 | 73,587 | 24,824 | 39,260 | - | - |
| 10/24/2020 | 85,496 | 14,459 | 15,023 | - | - |
| 10/28/2020 | 76,331 | 15,138 | 29,148 | - | - |
| 10/31/2020 | 89,919 | 29,052 | 173,741 | - | - |
| 11/4/2020 | 79,361 | 13,121 | 13,370 | - | - |
| 11/7/2020 | 87,799 | 15,324 | 15,483 | - | - |
| 11/11/2020 | 78,186 | 16,145 | 16,475 | - | - |
| 11/14/2020 | 90,291 | 65,767 | 22,227 | - | - |
| 11/18/2020 | 80,139 | 15,649 | 15,294 | - | - |
| 11/21/2020 | 92,956 | 18,324 | 17,658 | - | - |
| 11/25/2020 | 95,156 | 14,847 | 28,956 | - | - |
| 11/28/2020 | 93,485 | 16,660 | 17,102 | - | - |
| 12/2/2020 | 93,213 | 33,612 | 33,858 | - | - |
| 12/5/2020 | 104,622 | 19,917 | 154,883 | - | - |
| 12/9/2020 | 97,304 | 138,346 | 49,478 | - | - |
| 12/12/2020 | 109,320 | 17,829 | 18,031 | - | - |
| 12/16/2020 | 100,175 | 20,505 | 33,151 | - | - |
| 12/19/2020 | 121,274 | 73,622 | 37,347 | - | - |

Power Play
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 |
|--------------|---------------------|---------------------|-----------------------|----------------------|---------------------|
| 12/23/2020 | 131,156 | 146,182 | 59,583 | - | - |
| 12/26/2020 | 128,201 | 23,157 | 22,678 | - | - |
| 12/30/2020 | 156,218 | 26,350 | 26,257 | - | - |
| 1/2/2021 | 187,343 | 35,857 | 35,652 | - | - |
| 1/6/2021 | 234,127 | 289,632 | 126,895 | - | - |
| 1/9/2021 | 314,223 | 58,625 | 100,946 | - | - |
| 1/13/2021 | 393,502 | 1,119,915 | 225,858 | - | - |
| 1/16/2021 | 517,444 | 175,194 | 206,814 | - | - |
| 1/20/2021 | 560,390 | 288,094 | 414,239 | - | - |
| 1/23/2021 | 160,790 | 61,164 | 570,932 | - | - |
| 1/27/2021 | 97,868 | 36,848 | 36,305 | - | - |
| 1/30/2021 | 111,045 | 42,636 | 42,173 | - | - |
| 2/3/2021 | 86,007 | 32,512 | 32,527 | - | - |
| 2/6/2021 | 104,089 | 19,040 | 18,572 | - | - |
| 2/10/2021 | 88,800 | 18,438 | 167,606 | - | - |
| 2/13/2021 | 88,213 | 13,765 | 13,873 | - | - |
| 2/17/2021 | 89,199 | 29,502 | 44,274 | - | - |
| 2/20/2021 | 95,731 | 179,163 | 170,607 | - | - |
| 2/24/2021 | 95,204 | 132,176 | 60,320 | - | - |
| 2/27/2021 | 112,493 | 39,996 | 53,822 | - | - |
| 3/3/2021 | 106,739 | 33,474 | 62,944 | - | - |
| 3/6/2021 | 112,421 | 57,183 | 78,921 | - | - |
| 3/10/2021 | 101,762 | 37,582 | 37,528 | - | - |
| 3/13/2021 | 116,923 | 19,468 | 26,880 | - | - |
| 3/17/2021 | 117,468 | 19,628 | 19,911 | - | - |
| 3/20/2021 | 124,972 | 1,046,440 | 204,425 | - | - |
| 3/24/2021 | 117,196 | 72,667 | 37,026 | - | - |
| 3/27/2021 | 127,801 | 43,356 | 74,470 | - | - |
| 3/31/2021 | 81,570 | 13,385 | 20,858 | - | - |
| Total | \$10,640,772 | \$7,475,237 | \$6,600,087 | \$ - | \$ - |

Power Play
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 | \$ 1,603,199 | \$ 4,207,959 | \$ 4,549,620 | \$ 1,501,560 | \$ (240,022) |
| Illinois | (670,494) | 5,378,443 | 7,081,254 | (936,082) | (1,437,223) |
| Massachusetts | (6,043) | 4,482,512 | 3,203,709 | (181,145) | 1,453,905 |
| Maryland | 46,534 | 3,431,050 | 3,662,231 | (150,186) | (34,461) |
| Michigan | (311,620) | 5,439,554 | 5,037,738 | (226,092) | 316,288 |
| New Jersey | 14,943 | 6,606,650 | 6,103,108 | 994,059 | (475,574) |
| Ohio | 220,805 | 7,076,056 | 8,074,900 | 164,422 | (942,461) |
| Virginia | (618,372) | 7,475,237 | 6,600,087 | (760,664) | 1,017,442 |
| Washington | (278,952) | 2,726,681 | 2,511,495 | (405,872) | 342,106 |
| Total | \$ - | \$46,824,142 | \$46,824,142 | \$ - | \$ - |