



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE ARKANSAS LOTTERY

Post Office Box 3238
Little Rock, Arkansas 72203-3238
Phone: (501) 683-2000
Fax: (501) 683-1878
<http://myarkansaslottery.com>

September 12, 2022

The Honorable Asa Hutchinson
Governor of Arkansas
State Capitol
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Dear Governor Hutchinson:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, pursuant to A.C.A. §§ 23-115-206 and 23-115-302, please accept the attached disclosure reports for the month of August 2022. The reports contain the following information:

1. Contracts Awarded
2. Debt Set-Off Collections
3. Retailer Losses
4. Breakdown of Lottery Sales per County
5. Total Number of Retailers
6. Total Lottery Revenue
7. Prize Disbursements
8. Operating Expenses
9. Net Assets
10. Administrative Expenses
11. Unclaimed Prize Report
12. DFA Office of the Arkansas Lottery Minority-and Female-owned Business Report
13. DFA Office of the Arkansas Lottery Demographics
14. Internal Auditor Reports
15. Instant Ticket Games Released
16. ADHE

Please call me if you have any questions or need additional information.

Respectfully submitted,

J. Eric Hagler
Director

Enclosures

cc: Mr. Larry Walther, Secretary of the Department of Finance and Administration



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September 12, 2022

The Honorable Ronald Caldwell, Co-Chair
The Honorable Gary Deffenbaugh, Co-Chair
Arkansas Legislative Council Lottery Oversight Subcommittee
One Capitol Mall Room R-501
Little Rock, AR 72201

RE: Monthly Disclosure Reports

Dear Senator Caldwell and Representative Deffenbaugh:

On behalf of the Arkansas Department of Finance and Administration and the Office of the Arkansas Lottery, pursuant to A.C.A. §§ 23-115-206 and 23-115-302, please accept the attached disclosure reports for the month of August 2022. The reports contain the following information:

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Respectfully submitted,

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Director

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cc: Mr. Larry Walther, Secretary of the Department of Finance and Administration

**Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Term Contracts for Goods and Services
August 1 through August 31, 2022**



1. On July 19, 2022 Office of the Arkansas Lottery (OAL) entered into a Marketing and Sponsorship Agreement with Red Wolves Sports Properties, LLC.

A. The terms date are as follows 07/01/2022 through 06/30/2023.

B. The cost of the Sponsorship would be:

2022-2023 \$13,000

C. Installment Billing Schedule: one payment due on 11/01/2022 for \$13,000.

2. On August 29th Office of the Arkansas Lottery (OAL) entered into a Sponsorship agreement with Downtown Little Rock Partnership.

A. The date of this agreement is September 11th for the Main Street Food Truck Festival.

B. The cost of the sponsorship would be \$3,000.

Sponsor #: KR111589
Contract #: 232-224081
Date: July 01, 2022

Sponsor:
Department of Finance and Administration Office of the Arkansas Lottery
Arkansas Scholarship Lottery
Attn: Ashley McNatt
124 West Capitol Avenue Suite 1400
Little Rock, Arkansas 72201

Bill To:
Department of Finance and Administration Office of the Arkansas Lottery
Arkansas Scholarship Lottery
Attn: Ashley McNatt
124 West Capitol Avenue Suite 1400
Little Rock, Arkansas 72201

This Marketing and Sponsorship Agreement ("Agreement"), effective as of the date set forth above, between Sponsor and RED WOLVES SPORTS PROPERTIES, LLC ("Provider"), relates to sponsorship opportunities and specific inventory items at Arkansas State, solely with respect to its athletics department ("University"). Provider, University's designated multi-media rights holder, appreciates Sponsor's commitment to support and sponsor University. The parties agree as follows:

Benefits: Each Contract Year (as defined below) during the Term (as defined below), Provider will provide Sponsor the benefits described on Exhibit A ("Benefits").

Term: 07/01/2022 through 06/30/2023

Sponsorship Fee:

<u>Contract Year</u>	<u>Cash Amount</u>
2022-2023	\$13,000.00

Additional Provisions:

1. No agency commission(s) or fee(s) are included in the above Cash Amount(s). Sponsor is solely responsible for paying each such Cash Amount(s) pursuant to the below Installment Billing Schedule.
2. "Contract Year" means July 1 through June 30 each year during the Term.
3. This Agreement is governed by the additional Terms and Conditions set forth on Exhibit B.

INSTALLMENT BILLING SCHEDULE

<u>Invoice Date</u>	<u>Invoice Amount</u>
11/1/2022	\$13,000.00

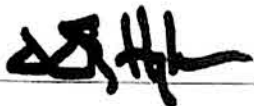
Sponsor shall submit each payment by check or wire transfer. If Sponsor pays by check, then Sponsor shall send the check, together with a remittance or invoice identifying University and this Agreement, to the following remittance address, unless and until Provider directs otherwise: RED WOLVES SPORTS PROPERTIES, LLC, c/o Learfield Communications, LLC, P.O. Box 843038, Kansas City, MO 64184-3038. If Sponsor pays by wire or funds transfer, then Sponsor shall request applicable account information from either Provider's chief financial officer or accounting department. With respect to processing Sponsor's payment(s) hereunder, Provider will not engage with any third-party payment processor (e.g., Ariba, PayModeX).

Terms: Due Net Ten (10) Days
Checks made payable to RED WOLVES SPORTS PROPERTIES, LLC

AGREED AND ACCEPTED:

DEPARTMENT OF FINANCE AND
ADMINISTRATION OFFICE OF THE
ARKANSAS LOTTERY

RED WOLVES SPORTS PROPERTIES, LLC

By: 

By: 

Name: J. ERIK HAGLER

Name: Neal McArthur

Title: EXECUTIVE DIRECTOR

Title: Manager, Business Development

Date: 07/10/2022

Date: 7/17/2022

Thank you for your business!
For billing inquiries, please contact Provider's Office of Accounts Receivable at (336) 831-0737.

Exhibit A

Benefits

<u>Provider</u>	<u>Sport</u>	<u>Product</u>	<u>Item Name</u>	<u>Quantity</u>	<u>Events</u>
Red Wolves Sports Properties, LLC	Basketball - Men's	Radio	In-Game Live Mention Description: Network In-Game Live Mention during each Men's Basketball broadcast	1	Season
Red Wolves Sports Properties, LLC	Basketball - Men's	Radio	In-Game Opening/Closing Billboard Description: Network In-Game Opening/Closing Billboard during each Men's Basketball broadcast	1	Season
Red Wolves Sports Properties, LLC	Basketball - Men's	Radio	In-Game Spot (Network) (30 Seconds) Description: :30 Network In-Game Spot during each Men's Basketball broadcast	2	Season
Red Wolves Sports Properties, LLC	Football	Display/Sampling	Onsite Display/Activation Description: Onsite tabling display at a selected home football game	1	1
Red Wolves Sports Properties, LLC	Football	Radio	In-Game Live Mention Description: Network In-Game Live Mention during each Football broadcast	3	Season
Red Wolves Sports Properties, LLC	Football	Radio	In-Game Opening/Closing Billboard Description: Network In-Game Opening/Closing Billboard during each Football broadcast	1	Season
Red Wolves Sports Properties, LLC	Football	Radio	In-Game Spot (Network) (30 Seconds) Description: :30 Network In-Game Spot during each Football broadcast	2	Season
Red Wolves Sports Properties, LLC	Social Media	Digital	Lead Generation Description: Enter-to-win sweepstakes; includes landing page, promotional social graphic(s), paid social media impressions (75K), and post-campaign entrant database.	2	Season

Exhibit B

Terms and Conditions

University Marks. To the extent Benefits include the right to make use of University's names, logos, trademarks, service marks, trade names or other identifying indicia ("University Marks"), Sponsor shall provide Provider, for prior review and approval, all proposed uses of University Marks and examples thereof. Sponsor shall use University Marks only (i) in the exact form, manner and context Provider approves in writing and (ii) as further detailed on Exhibit A. Sponsor may not use University Marks in connection with the name, image or likeness ("NIL") of any current student athlete, unless otherwise set forth on Exhibit A and, then, only to the extent explicitly set forth thereon. Sponsor must obtain all promotional premium products bearing University Marks from a Provider-approved licensed provider, which shall be responsible for assuring such products comply with all applicable University licensing requirements (including, but not limited to, compliance with applicable licensing-royalty payments).

Sponsor acknowledges University Marks are and will remain the exclusive property of University, which is the sole owner of University Marks and their associated goodwill, and Sponsor, by reason of this Agreement or otherwise, has not acquired any right, title, interest or ownership claim to them. Each of Sponsor's uses of University Marks, and any and all goodwill arising from each such use, inures solely to University's benefit.

Benefits. Unless otherwise specifically stated on Exhibit A or elsewhere in this Agreement, all Benefits are for the regular season only. If, for any reason other than Sponsor's fault, Provider is unable to provide Sponsor with any Benefit(s), then Provider will notify Sponsor and offer Sponsor make-good benefits in lieu of the Benefit(s) Provider is unable to provide Sponsor ("Alternative Make-Good Benefits"). Alternative Make-Good Benefits will not, however, include tickets, hospitality, catering or similar benefits that involve an out-of-pocket cost to Provider. Alternative Make-Good Benefits will be subject to Sponsor's approval, which approval will not be unreasonably withheld, delayed or conditioned. Until such time as Alternative Make-Good Benefits are agreed upon, Sponsor will continue to pay the full Sponsorship Fee to Provider as set forth above. If the parties are unable to agree on Alternative Make-Good Benefits, then such disagreement will not be considered a breach of this Agreement and this Agreement will not terminate, but rather the Sponsorship Fee to be paid by Sponsor will be adjusted to reflect the Benefit(s) not available to Sponsor.

University Notice. If Provider is advised by University that Provider no longer has the right to provide Sponsor all the Benefits ("University Notice"), then Provider will have the option to terminate this Agreement at the end of the Contract Year for which the University Notice is applicable, with no further liability or obligations of either party under this Agreement thereafter, except for payment of the Sponsorship Fee still owed by Sponsor at the time of termination. If the University Notice requires Provider to terminate this Agreement prior to the end of the then-current Contract Year for which the University Notice is applicable, then this Agreement will terminate upon Provider's written notice to Sponsor and Sponsor will (i) receive a pro rata refund of the Sponsorship Fee equal to the value of Benefits not yet received as a result of the termination or (ii) pay Provider for Benefits received but not yet paid for, but in no event will either party have any further liability or obligation to the other party under this Agreement. In the event of this Agreement's termination as a result of a University Notice, Sponsor will have no obligation to pay the Sponsorship Fee for the period after the effective termination date. Notwithstanding the foregoing, in lieu of this Agreement terminating because of a University Notice, Provider and Sponsor may negotiate for a period of thirty (30) days following Provider's receiving the University Notice in order to determine whether alternative benefits can be offered to Sponsor and, if offered, whether they are acceptable to Sponsor ("Alternative Benefits"). If Alternative Benefits are offered and accepted, then this Agreement will not terminate as a result of the University Notice but instead will remain in full force and effect with the Alternative Benefits. Notwithstanding any other provision herein, whether either party agrees to Alternative Benefits or an amendment to this Agreement is within the party's sole discretion.

Preparation of Promotional/Sponsorship Materials. Provider is responsible for providing publication space or spot-advertisement locations for Sponsor-prepared promotional/sponsorship recognitions or advertising. Advertising production, video or graphics production, talent charges and service charges, if any, are not covered under this Agreement and remain Sponsor's sole responsibility, but Sponsor can obtain from Provider any such services for an additional service fee. Sponsor is responsible for timely submitting to Provider its advertisements, promotional/sponsorship recognitions, graphics, LED designs, video-board features, Internet displays and/or any other creative materials, as applicable, for Benefits ("Sponsorship Materials"). Sponsorship Materials (whether provided by Sponsor or on its behalf) are subject to

costs. If any sales tax, use tax, gross receipts tax, service tax or other tax (other than Provider's income tax) is imposed in connection with any Benefits or payment hereunder, then Sponsor will pay such tax on or before the due date thereof and, if not otherwise paid, any unpaid amount thereof will be added to the invoice for the period that includes such due date.

Assignment. This Agreement is personal to Sponsor. Sponsor shall not sell, transfer or assign this Agreement, or any of Sponsor's rights hereunder, without Provider's prior written approval, and no rights will devolve by operation of law or otherwise upon any Sponsor assignee, receiver, liquidator, trustee or other third party. Any unauthorized assignment will be void and of no effect unless approved by Provider in writing. Subject to the foregoing, this Agreement will be binding upon any approved Sponsor assignee or successor, and this Agreement will inure to the benefit of Provider, its successors and permitted assigns.

Miscellaneous. This Agreement (i) sets forth the parties' entire understanding with respect to its subject matter, (ii) supersedes all prior negotiations and agreements, whether written or oral, between the parties concerning such subject matter and (iii) may be modified or amended only by a written instrument each party signs. Each party represents and warrants to the other party (a) the individual signing this Agreement on its behalf is duly authorized to do so and (b) no representations have been made or relied upon other than those expressly provided for herein. This Agreement may be executed via delivery of a facsimile transmission or other commonly used electronic means (e.g., via a PDF attachment) in one (1) or more counterpart, each of which will be deemed an original, but all of which, taken together, constitute one (1) and the same agreement. No party's agent, employee or other representative is empowered to alter any of this Agreement's terms unless via written instrument signed by the appropriate party's authorized officer or agent. A waiver by either party of any of this Agreement's terms or conditions in any instance will not be deemed or construed to be a waiver of such term or condition for the future, or of any subsequent breach thereof. Notwithstanding the University Notice section, Provider may terminate this Agreement, effective immediately upon delivering to Sponsor written notice thereof, if Provider's University rights agreement is terminated for any reason; provided, however, Provider shall provide Sponsor a pro rata refund of any amounts paid for Benefits not yet received as of such effective termination date. This Agreement is governed by and construed in accordance with the laws of the State of Arkansas, without giving effect to its conflict of law rules.



**11th Main Street Food Truck
Festival Sponsor Contract
Agreement**

Organization Arkansas Scholarship Lottery
Contact First Name Kara Lee Contact Last Name Ford
Mailing Address P.O. Box 3238
City Little Rock State AR Zip 72203
Contact Phone 501-683-1646 Contact Cell 501-920-6287
Contact Email Address karalee.ford@arkansas.gov

Sponsor Level: (please check)

- ☐ \$10,000
- ☐ \$7,500
- ☐ \$7,000
- ☐ \$5,000
- ☒ \$3,000 + 2,500 koozies
- ☐ \$2,000 + \$4,000 in-kind
- ☐ \$1,500
- ☐ \$1,100

Please make check payable to Downtown Little Rock Partnership.

Mail check and form to:
Downtown Little Rock Partnership
Attn: Gabe Holmstrom
101E Capitol Ave, Ste. 106
Little Rock, AR 72201

For questions about sponsorship, the event or sponsorship payment please
contact Gabe Holmstrom at 501-375-0121 or email
gholmstrom@downtownlr.com.

Sign and date:


08.29.2022

Sign and date:


08/29/22



Department of Transformation and Shared Services

Governor Asa Hutchinson

Secretary Amy Fecher

Director Edward Armstrong

ISRAEL BOYCOTT RESTRICTION CERTIFICATION

Pursuant to Arkansas Code Annotated § 25-1-503, a public entity **shall not** enter into a contract valued at \$1,000 or greater with a company unless the contract includes a written certification that the person or company is not currently engaged in and agrees for the duration of the contract not to engage in, a boycott of Israel.

By signing below, the Contractor agrees and certifies that they do not currently boycott Israel and will not boycott Israel during any time in which they are entering into, or while in contract, with any public entity as defined in § 25-1-503* If at any time after signing this certification the contractor decides to engage in a boycott of Israel, the contractor must notify the contracting public entity in writing.

If a company does boycott Israel, see Arkansas Code Annotated § 25-1-503.

Name of public entity	Downtown Little Rock Partnership
AASIS Vendor Number	
Contractor/Vendor	

Contractor Signature: _____

Date: _____

9/8/22

"Public entity" means the State of Arkansas, or a political subdivision of the state, including all boards, commissions, agencies, institutions, authorities, and bodies politic and corporate of the state, created by or in accordance with state law or rules, and does include colleges, universities, a statewide public employee retirement system, and institutions in Arkansas as well as units of local and municipal government.

07122019

Office of State Procurement

1509 West 7th Street, Suite 300 • Little Rock, AR 72201 • 501.324.9316

MAIN STREET **FOOD TRUCK FESTIVAL** LITTLE ROCK

**Sunday
September 11th
11am - 6pm**

Blocks of Fun

In 2021, MSFTF continued to have a positive impact on downtown Little Rock and the surrounding community.

- 15 block footprint
- 62 food trucks from 4 states
- 28 artists
- 17 market place vendors
- 72 buskers
- 102 hours of entertainment
- 4 beer gardens selling local beer
- 232 volunteers donating their time
- 250,000 reached thru social media
- 25,000 of our closest friends enjoying Main Street!

Press & Publicity

In previous years, Main Street Food Truck Festival has received comprehensive media coverage, including:

- Segments on all local television stations
- Print articles in local & regional newspapers & magazines
- Online news articles & blogs
- Advertising in print, digital, television & radio



**DOWNTOWN
LITTLE ROCK**
PARTNERSHIP

SPONSOR + VENDOR OPPORTUNITIES

Sunday, September 11th

11:00 am - 6:00 pm

Proceeds benefit

Downtown Little Rock Partnership



OVERALL EVENT SPONSORSHIPS

	Number Available	Specialty Recognition	Exhibitor Space	Event Signage	Social Media	Web Page	Press Materials	Truck Bucks
PRESENTING \$10000	1	Sponsor name and logo associated with festival.	✓	All Areas	Feature	Logo + Link	✓	300
GOLD \$7500	2	Sponsor logo included in some festival promotion.	✓	All Areas	Feature	Logo + Link	✓	150
SILVER \$5000	2	Sponsor logo included in some festival promotion.	✓	All Areas	Feature	Logo + Link		125
ANNIVERSARY \$1100	∞		✓	All Areas	Mention	Listing + Link		50

TARGETED SPONSORSHIPS

	Number Available	Specialty Recognition	Exhibitor Space	Event Signage	Social Media	Web Page	Press Materials	Truck Bucks
FAMILY ZONE \$7000	1	Funds dedicated kid zone w/ rides, laser tag, climbing wall & more!	✓	All Areas	Mention	Listing + Link	✓	150
T-SHIRT SPONSOR \$2000 + \$4000 IN-KIND	1	Provides sponsor-branded shirt week before event. 300 minimum quantity.*	✓	All Areas	Feature	Logo + Link	✓	125
COMMITTEE COHORT \$5000	1	Supports volunteer team. Includes branded lanyards, lunches & trainings.	✓	All Areas	Mention	Listing + Link		125
BLOCK SPONSOR \$3000	6	Logo displayed prominently in specific festival area.	✓	All Areas	Mention	Logo + Link		100
BUSKER STATION \$1500	4	Sponsor logo displayed at one busker station.	✓	Specific Station	Mention	Listing + Link		50

*T-shirt design must be approved by DLRP

MEDIA SPONSORSHIPS

	Number Available	Specialty Recognition	Exhibitor Space	Event Signage	Social Media	Web Page	Press Materials	Truck Bucks
MEDIA CHAMPION \$3000 + \$3000 IN-KIND	1	Opportunity for live broadcast from festival.	✓	All Areas	Feature	Logo + Link	✓	125
MEDIA PARTNER \$1500 + 1500 IN-KIND	4	Opportunity for live broadcast from festival.	✓	All Areas	Mention	Listing + Link		100

Live, Work, Play!

In 2009, Downtown Little Rock Partnership, a nonprofit focusing on sustaining and growing a vibrant downtown, formed a new task force - the Main Street Revitalization Committee. It's goal: address the issues facing Main Street and encourage visitors and residents alike to enjoy the city's core.

In 2011, the 1st Annual Main Street Food Truck Festival was held to support those efforts. 11 years later, MSRTF is still doing just that: bringing people together in Little Rock's Main Street!

Details & Deadlines

Sponsorship commitment and company logo must be submitted by August 1 to ensure inclusion in all print materials and full benefits for your sponsorship.



**DOWNTOWN
LITTLE ROCK**
PARTNERSHIP

Department of Finance & Administration
Office of the Arkansas Lottery
Retailer Loss/Debt Set-off/Income Tax
August 2022

As of 8/31/2022

Retailer losses:\$0

Arkansas Debt Set-Off	Aug-22	Total Since Inception
Department of Finance and Administration	\$ 5,581.89	\$ 1,597,703.43
Office of Child Support Enforcement	\$ 1,000.00	\$ 672,444.59
Total Debt Set-Off	\$ 6,581.89	\$ 2,270,148.02

Income Taxes Withheld	Aug-22	Total Since Inception
Federal	\$ 1,128,976.00	\$ 123,736,445.00
State	\$ 258,722.00	\$ 34,049,752.00
Total Income Taxes Withheld	\$ 1,387,698.00	\$ 157,786,197.00

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
August 1 through August 31, 2022

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE	POWERBALL	TOTAL
ARKANSAS	\$16,693.50	\$9,917.50	\$12,301.00	\$448,571.00	\$4,098.00	\$10,525.00	\$4,370.00	\$12,979.00	\$519,455.00
ASHLEY	\$18,804.50	\$17,144.50	\$11,195.00	\$177,370.00	\$1,880.00	\$6,013.00	\$2,273.00	\$9,122.00	\$243,802.00
BAXTER	\$4,155.00	\$2,454.50	\$17,979.00	\$527,430.00	\$7,460.00	\$19,791.00	\$10,702.00	\$27,160.00	\$617,131.50
BENTON	\$10,485.00	\$4,287.00	\$24,972.00	\$1,525,594.00	\$26,454.00	\$83,376.00	\$26,340.00	\$111,864.00	\$1,813,312.00
BOONE	\$2,635.00	\$3,382.00	\$31,240.00	\$491,880.00	\$3,044.00	\$15,090.00	\$5,874.00	\$19,888.00	\$573,033.00
BRADLEY	\$3,382.00	\$6,674.50	\$2,308.00	\$155,787.00	\$1,326.00	\$3,605.00	\$1,804.00	\$4,755.00	\$179,641.50
CALHOUN	\$3,820.50	\$579.00	\$1,506.00	\$46,365.00	\$684.00	\$812.00	\$663.00	\$1,364.00	\$55,793.50
CARROLL	\$383.50	\$413.00	\$10,237.00	\$288,316.00	\$3,046.00	\$8,895.00	\$3,208.00	\$12,638.00	\$327,136.50
CHICOT	\$10,191.50	\$3,175.00	\$4,516.00	\$196,368.00	\$3,854.00	\$7,084.00	\$2,881.00	\$9,960.00	\$238,029.50
CLARK	\$4,016.00	\$891.50	\$24,750.00	\$401,264.00	\$3,878.00	\$10,220.00	\$4,971.00	\$13,198.00	\$463,188.50
CLAY	\$618.00	\$38.50	\$3,072.00	\$128,478.00	\$2,306.00	\$2,992.00	\$1,987.00	\$4,104.00	\$143,595.50
CLEBURNE	\$2,116.50	\$230.00	\$37,303.00	\$355,982.00	\$5,004.00	\$13,715.00	\$8,014.00	\$19,403.00	\$441,767.50
CLEVELAND	\$1,094.50	\$283.50	\$1,443.00	\$60,576.00	\$1,316.00	\$1,494.00	\$725.00	\$2,043.00	\$68,975.00
COLUMBIA	\$17,123.00	\$6,552.00	\$8,812.00	\$358,590.00	\$3,292.00	\$7,155.00	\$3,424.00	\$10,721.00	\$415,669.00
CONWAY	\$7,790.50	\$2,659.00	\$9,074.00	\$420,527.00	\$4,780.00	\$11,529.00	\$8,716.00	\$15,530.00	\$480,605.50
CRAIGHEAD	\$15,991.50	\$9,960.00	\$44,883.00	\$1,820,778.00	\$13,242.00	\$39,405.00	\$14,446.00	\$50,934.00	\$2,009,639.50
CRAWFORD	\$3,661.00	\$1,078.00	\$9,909.00	\$414,447.00	\$6,942.00	\$20,734.00	\$9,043.00	\$27,931.00	\$493,745.00
CRITTENDEN	\$51,500.00	\$21,766.50	\$21,402.00	\$723,590.00	\$8,522.00	\$27,881.00	\$8,448.00	\$44,597.00	\$907,706.50
CROSS	\$8,693.00	\$2,342.00	\$11,574.00	\$380,892.00	\$1,424.00	\$5,418.00	\$2,373.00	\$8,168.00	\$420,884.00
DALLAS	\$2,825.00	\$1,193.50	\$2,697.00	\$190,513.00	\$698.00	\$3,333.00	\$1,697.00	\$4,445.00	\$207,401.50
DESHA	\$2,624.50	\$1,646.50	\$2,107.00	\$214,500.00	\$974.00	\$5,297.00	\$2,763.00	\$7,843.00	\$237,755.00
DREW	\$4,119.00	\$2,225.50	\$12,748.00	\$395,638.00	\$3,398.00	\$7,702.00	\$3,620.00	\$10,702.00	\$440,152.50
FAULKNER	\$13,935.00	\$5,124.00	\$47,165.00	\$1,396,047.00	\$18,176.00	\$42,618.00	\$22,052.00	\$58,551.00	\$1,603,668.00
FRANKLIN	\$1,113.50	\$212.00	\$16,466.00	\$203,649.00	\$1,848.00	\$7,295.00	\$3,602.00	\$11,083.00	\$245,268.50
FULTON	\$258.00	\$932.50	\$4,781.00	\$75,970.00	\$770.00	\$2,743.00	\$1,228.00	\$3,177.00	\$89,859.50
GARLAND	\$17,458.00	\$5,276.50	\$31,034.00	\$1,251,808.00	\$22,210.00	\$55,650.00	\$36,173.00	\$73,189.00	\$1,492,798.50
GRANT	\$1,326.50	\$768.00	\$6,621.00	\$187,766.00	\$3,004.00	\$5,796.00	\$3,235.00	\$8,006.00	\$216,522.50
GREENE	\$760.00	\$431.50	\$23,079.00	\$663,272.00	\$4,526.00	\$15,770.00	\$6,253.00	\$21,941.00	\$736,032.50
HEMPSTEAD	\$70,651.00	\$23,666.50	\$9,567.00	\$401,613.00	\$3,362.00	\$7,679.00	\$3,048.00	\$9,590.00	\$529,176.50
HOT SPRING	\$1,214.50	\$385.50	\$17,228.00	\$386,320.00	\$4,508.00	\$11,465.00	\$6,229.00	\$14,019.00	\$441,369.00
HOWARD	\$54,552.50	\$13,138.00	\$7,832.00	\$230,036.00	\$2,092.00	\$5,018.00	\$2,311.00	\$6,541.00	\$321,520.50
INDEPENDENCE	\$5,132.50	\$2,598.50	\$56,847.00	\$619,735.00	\$5,490.00	\$13,754.00	\$6,958.00	\$19,026.00	\$729,541.00
IZARD	\$196.50	\$209.50	\$6,490.00	\$97,407.00	\$976.00	\$4,254.00	\$1,845.00	\$5,533.00	\$116,911.00
JACKSON	\$18,236.50	\$10,293.00	\$17,181.00	\$304,956.00	\$2,024.00	\$5,748.00	\$3,476.00	\$8,892.00	\$370,806.50
JEFFERSON	\$67,437.50	\$41,569.00	\$35,840.00	\$1,371,330.00	\$16,636.00	\$42,272.00	\$24,306.00	\$61,561.00	\$1,660,951.50
JOHNSON	\$1,194.50	\$1,491.50	\$5,167.00	\$279,309.00	\$2,710.00	\$9,003.00	\$4,743.00	\$12,634.00	\$316,252.00
LAFAYETTE	\$15,808.50	\$4,081.00	\$1,788.00	\$88,183.00	\$960.00	\$2,371.00	\$515.00	\$2,972.00	\$116,678.50
LAWRENCE	\$820.50	\$192.00	\$10,468.00	\$341,832.00	\$2,392.00	\$5,927.00	\$2,476.00	\$7,478.00	\$371,585.50

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
August 1 through August 31, 2022

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
LEE	\$4,137.00	\$11,448.00	\$1,259.00	\$101,503.00	\$2,438.00	\$2,358.00	\$441.00	\$3,299.00	\$126,883.00
LINCOLN	\$637.00	\$387.50	\$4,474.00	\$108,636.00	\$1,928.00	\$2,738.00	\$1,954.00	\$4,418.00	\$125,172.50
LITTLE RIVER	\$7,212.50	\$3,197.00	\$5,077.00	\$133,358.00	\$968.00	\$4,783.00	\$1,413.00	\$5,956.00	\$162,024.50
LOGAN	\$673.00	\$96.00	\$14,661.00	\$245,607.00	\$2,136.00	\$7,503.00	\$3,557.00	\$11,092.00	\$285,325.00
LONOKE	\$14,255.50	\$9,925.50	\$51,776.00	\$1,110,061.00	\$12,998.00	\$34,441.00	\$20,454.00	\$45,714.00	\$1,299,625.00
MADISON	\$59.50	\$354.00	\$1,617.00	\$93,357.00	\$1,592.00	\$4,546.00	\$1,359.00	\$6,247.00	\$109,131.50
MARION	\$7,602.50	\$2,164.50	\$10,791.00	\$226,196.00	\$3,096.00	\$6,873.00	\$4,112.00	\$8,841.00	\$269,676.00
MILLER	\$32,465.50	\$11,578.50	\$12,256.00	\$593,631.00	\$7,762.00	\$16,006.00	\$6,124.00	\$18,963.00	\$698,776.00
MISSISSIPPI	\$62,512.00	\$28,571.50	\$18,864.00	\$769,431.00	\$3,708.00	\$14,920.00	\$3,351.00	\$19,723.00	\$921,080.50
MONROE	\$33,435.00	\$13,394.00	\$36,350.00	\$218,526.00	\$1,684.00	\$6,079.00	\$2,776.00	\$8,041.00	\$320,285.00
MONTGOMERY	\$266.00	\$207.00	\$2,303.00	\$36,303.00	\$538.00	\$1,928.00	\$884.00	\$2,583.00	\$45,032.00
NEVADA	\$4,258.00	\$1,403.00	\$1,125.00	\$163,199.00	\$1,222.00	\$3,165.00	\$762.00	\$4,018.00	\$179,152.00
NEWTON	\$56.00	\$5.00	\$2,229.00	\$33,436.00	\$262.00	\$1,270.00	\$884.00	\$1,732.00	\$39,874.00
OUACHITA	\$18,511.50	\$8,392.50	\$15,373.00	\$622,959.00	\$4,576.00	\$10,613.00	\$5,166.00	\$15,593.00	\$701,184.00
PERRY	\$1,237.50	\$569.50	\$5,988.00	\$117,005.00	\$1,778.00	\$4,051.00	\$2,221.00	\$5,426.00	\$138,276.00
PHILLIPS	\$16,665.00	\$5,227.00	\$3,902.00	\$221,965.00	\$2,802.00	\$7,238.00	\$2,820.00	\$11,092.00	\$271,631.00
PIKE	\$230.00	\$114.00	\$8,041.00	\$131,675.00	\$2,078.00	\$4,202.00	\$2,447.00	\$5,462.00	\$154,249.00
POINSETT	\$3,955.00	\$1,222.00	\$18,971.00	\$509,671.00	\$2,138.00	\$7,778.00	\$3,191.00	\$11,294.00	\$558,220.00
POLK	\$1,268.50	\$242.00	\$8,501.00	\$176,248.00	\$2,352.00	\$7,581.00	\$4,852.00	\$10,828.00	\$211,872.50
POPE	\$2,659.50	\$1,262.00	\$22,080.00	\$837,544.00	\$9,318.00	\$28,206.00	\$12,669.00	\$36,598.00	\$650,336.50
PRARIE	\$2,727.00	\$1,180.00	\$4,888.00	\$199,845.00	\$1,560.00	\$3,369.00	\$1,484.00	\$4,694.00	\$219,747.00
PULASKI	\$198,496.00	\$153,161.50	\$244,342.00	\$7,255,883.00	\$250,140.00	\$386,839.00	\$216,914.00	\$509,697.00	\$9,215,472.50
RANDOLPH	\$97.00	\$59.00	\$9,582.00	\$199,291.00	\$2,956.00	\$6,988.00	\$2,562.00	\$9,465.00	\$231,000.00
SAINT FRANCIS	\$30,813.00	\$16,485.50	\$5,620.00	\$336,383.00	\$3,028.00	\$9,770.00	\$3,538.00	\$15,990.00	\$421,627.50
SALINE	\$19,139.50	\$6,582.50	\$63,885.00	\$1,344,057.00	\$23,608.00	\$49,054.00	\$24,993.00	\$65,606.00	\$1,596,925.00
SCOTT	\$760.50	\$83.50	\$2,061.00	\$99,250.00	\$1,526.00	\$3,492.00	\$1,381.00	\$5,390.00	\$113,964.00
SEABOY	\$38.50	\$232.50	\$5,303.00	\$86,450.00	\$806.00	\$3,163.00	\$1,238.00	\$3,972.00	\$101,203.00
SEBASTIAN	\$13,907.00	\$4,399.00	\$26,758.00	\$985,459.00	\$18,680.00	\$50,730.00	\$23,986.00	\$70,212.00	\$1,194,131.00
SEVIER	\$5,558.50	\$592.00	\$1,668.00	\$187,559.00	\$4,328.00	\$5,779.00	\$3,160.00	\$6,460.00	\$215,104.50
SHARP	\$1,143.50	\$309.00	\$15,162.00	\$341,378.00	\$2,714.00	\$11,017.00	\$5,125.00	\$14,076.00	\$390,924.50
STONE	\$557.50	\$138.50	\$3,689.00	\$103,538.00	\$1,010.00	\$4,083.00	\$2,936.00	\$4,914.00	\$120,866.00
UNION	\$82,304.50	\$36,241.50	\$44,132.00	\$940,503.00	\$6,566.00	\$18,377.00	\$7,578.00	\$25,836.00	\$1,161,538.00
VAN BUREN	\$1,082.00	\$829.50	\$9,996.00	\$212,473.00	\$2,686.00	\$7,829.00	\$4,710.00	\$10,080.00	\$249,685.50
WASHINGTON	\$24,527.00	\$10,571.50	\$43,445.00	\$1,873,442.00	\$29,256.00	\$82,512.00	\$33,381.00	\$111,726.00	\$2,208,860.50
WHITE	\$12,941.50	\$4,903.00	\$46,181.00	\$1,062,794.00	\$9,940.00	\$25,797.00	\$13,786.00	\$35,356.00	\$1,211,698.50
WOODRUFF	\$2,186.00	\$1,318.00	\$4,730.00	\$136,594.00	\$884.00	\$3,991.00	\$1,186.00	\$5,372.00	\$156,261.00
YELL	\$401.00	\$565.00	\$4,363.00	\$247,421.00	\$2,142.00	\$6,590.00	\$3,436.00	\$9,062.00	\$273,980.00

ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
RETAIL SALES BY COUNTY
August 1 through August 31, 2022

COUNTY	CASH 3	CASH 4	FAST PLAY	INSTANT SETTLEMENTS	LUCKY FOR LIFE	MEGA MILLIONS	NATURAL STATE STATE	POWERBALL	TOTAL
GRAND TOTALS	*Cash 3 \$1,071,605.00	*Cash 4 \$546,674.50	*Fast Play \$1,385,025.00	*Instant Settlements \$39,685,320.00	*Lucky for Life \$626,510.00	*Mega Millions \$1,405,088.00	*Natural State Jackpot \$689,623.00	*Powerball \$1,898,370.00	*Total Sales \$47,308,215.50

ARKANSAS SCHOLARSHIP LOTTERY RETAILER, TERMINAL COUNTS, AND VENDOR SERVICE HIGHLIGHTS

August 31, 2022



Retailer Count by Status	
Active	1927
Renewal	60
Total	1987

Terminal Count by Type	
Photon	2,092
TVM	126
DreamTouch Smart	85
Total	2,303

Monthly Highlights

- 4,219,557 Total transactions processed through the Arkansas Scholarship Lottery System in August.
- 1,035 Service tickets resolved by Field Service and the Call Center for the month of August.
- 590 Preventative Maintenance Actions completed by Field Service Technicians for the month of August.



Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Net Position
August 31, 2022

ASSETS

Current assets:

Cash and cash equivalents	\$ 3,947,465.29
Restricted assets:	
Cash and cash equivalents	214,380,501.09
Accounts receivable	17,682,822.07
Prepaid items	1,989,548.95
Total current assets	<u>238,000,337.40</u>

Non-current assets:

Restricted assets:	
Cash and cash equivalents	20,516,748.63
Deposits with Multi-State Lottery Association	2,034,648.09
Capital assets (Net of accumulated depreciation)	892,119.19
Total non-current assets	<u>23,443,515.91</u>

Total assets	<u>261,443,853.31</u>
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Deferred outflows of resources:

Related to pension	1,285,278.28
Related to OPEB	759,944.04
Total deferred outflows of resources	<u>2,045,222.32</u>

Total assets and deferred outflows of resources	<u>\$ 263,489,075.63</u>
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LIABILITIES

Current liabilities:

Accounts payable	\$ 66,253.18
Prizes payable	23,670,719.13
Accrued and other liabilities	6,777,750.62
Due to Lottery Scholarship Trust Account	211,566,055.87
Compensated absences	444,106.99
OPEB Obligation	123,791.78
Unearned revenue	217,623.10
Total current liabilities	<u>242,866,300.67</u>

Long-Term liabilities:

Net other post employment benefits	4,800,957.34
Net pension liability	5,317,319.00
Total long-term liabilities	<u>10,118,276.34</u>

Total liabilities	<u>252,984,577.01</u>
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Deferred inflows of resources:

Related to pension	258,159.00
Related to OPEB	407,256.30
Total deferred inflows of resources	<u>665,415.30</u>

Total liabilities and deferred inflows of resources	<u>253,649,992.31</u>
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NET POSITION

Net position:

Invested in capital assets	892,119.19
Restricted for:	
Scholarship shortfall reserve	20,000,000.00
Retailer bond reserve	516,048.63
Deposits with Multi-State Lottery Association	2,034,648.09
Unclaimed prizes reserve	2,814,445.22
Unrestricted (deficit)	<u>(16,418,177.81)</u>

Total net position	<u>9,839,083.32</u>
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Total liabilities, deferred inflows of resources and net position	<u>\$ 263,489,075.63</u>
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Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues, Expenses and Change in Net Position
For the Two Months Ended August 31, 2022

	Current month	Year to date
Operating revenues:		
Instant ticket sales	\$ 41,580,518.00	\$ 77,077,347.00
Online ticket sales	7,786,235.00	24,403,173.50
Retailer application, fidelity, bond and service fees	48,433.45	111,057.11
Other revenue	<u>0.00</u>	<u>1.02</u>
 Total operating revenues	 <u>49,415,186.45</u>	 <u>101,591,578.63</u>
 Operating expenses:		
Instant game prizes	29,279,248.60	55,628,730.94
Online game prizes	4,506,878.01	13,121,566.06
Retailer commissions	2,815,677.43	5,722,953.45
Gaming contract costs	2,507,752.34	4,888,397.41
Compensation and benefits	544,855.03	998,607.03
Marketing, advertising and promotions	470,781.23	890,026.83
General and administrative expenses	237,564.02	535,391.46
Services provided by Arkansas Department of Higher Education	125,200.00	169,500.00
Services provided by Arkansas Legislative Audit	13,200.00	26,400.00
Depreciation	<u>35,913.48</u>	<u>71,818.72</u>
 Total operating expenses	 <u>40,537,070.14</u>	 <u>82,053,391.90</u>
 Operating income (1)	 8,878,116.31	 19,538,186.73
 Non-operating revenue:		
Interest income	<u>209,683.44</u>	<u>385,274.05</u>
 Income before transfers	 9,087,799.75	 19,923,460.78
 Transfers to:		
Lottery Scholarship Trust Account	<u>(6,030,974.28)</u>	<u>(18,496,953.59)</u>
 Change in net position	 <u>\$ 3,056,825.47</u>	 1,426,507.19
 Total net position - beginning		<u>8,412,576.13</u>
Total net position - ending		<u>\$ 9,839,083.32</u>

1) Includes all GAAP related accounting items including unclaimed prizes.

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Statement of Revenues and Expenses Budget Comparisons
For the Two Months Ended August 31, 2022

	CM Actual	%	CM Budget	%	CM Variance	YTD Actual	%	YTD Budget	%	YTD Variance
Operating revenues:										
Instant games	\$ 41,580,518.00	84.15	\$ 38,000,000.00	83.96	\$ 3,580,518.00	\$ 77,077,347.00	75.87	\$ 73,000,000.00	83.34	\$ 4,077,347.00
Online games	7,786,235.00	15.76	7,204,000.00	15.92	582,235.00	24,403,173.50	24.02	14,491,000.00	16.54	9,912,173.50
Retailer fees	48,433.45	0.10	54,000.00	0.12	(5,566.55)	111,057.11	0.11	105,000.00	0.12	6,057.11
Other revenue	-	-	200.00	0.00	(200.00)	1.02	0.00	300.00	0.00	(298.98)
				0.00%						
Total operating revenues	49,415,186.45	100.00	45,258,200.00	100.00	4,156,986.45	101,591,578.63	100.00	87,596,300.00	100.00	13,995,278.63
Operating expenses:										
Instant game prizes	29,279,248.60	59.25	27,554,583.00	60.88	1,724,665.60	55,628,730.94	54.76	52,895,166.00	60.39	2,733,564.94
Online game prizes	4,506,878.01	9.12	3,967,417.00	8.77	539,461.01	13,121,566.06	12.92	7,969,834.00	9.10	5,151,732.06
Retailer commissions	2,815,677.43	5.70	2,560,000.00	5.66	255,677.43	5,722,953.45	5.63	4,950,000.00	5.65	772,953.45
Gaming contract costs	2,507,752.34	5.07	2,264,000.00	5.00	243,752.34	4,888,397.41	4.81	4,378,000.00	5.00	510,397.41
Compensation & benefits	544,855.03	1.10	459,000.00	1.01	85,855.03	998,607.03	0.98	944,000.00	1.08	54,607.03
Marketing, advertising & promotions	470,781.23	0.95	695,000.00	1.54	(224,218.77)	890,026.83	0.88	1,409,000.00	1.61	(518,973.17)
General and administrative expenses	237,564.02	0.48	269,000.00	0.59	(31,435.98)	535,391.46	0.53	538,000.00	0.61	(2,608.54)
Services provided by other agencies	138,400.00	0.28	92,000.00	0.20	46,400.00	195,900.00	0.19	184,000.00	0.21	11,900.00
Depreciation	35,913.48	0.07	35,000.00	0.08	913.48	71,818.72	0.07	70,000.00	0.08	1,818.72
Total operating expenses	40,537,070.14	82.03	37,896,000.00	83.73	2,641,070.14	82,053,391.90	80.77	73,338,000.00	83.72	8,715,391.90
Operating income	8,878,116.31	17.97	7,362,200.00	16.27	1,515,916.31	19,538,186.73	19.23	14,258,300.00	16.28	5,279,886.73
Non-operating revenue:										
Interest income	209,683.44	0.42	140,000.00	0.31	69,683.44	385,274.05	0.38	263,000.00	0.30	122,274.05
Income before transfers	\$ 9,087,799.75	18.39	\$ 7,502,200.00	16.58	\$ 1,585,599.75	\$ 19,923,460.78	19.61	\$ 14,521,300.00	16.58	\$ 5,402,160.78

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Net Proceeds Computation to Transfer to Lottery Scholarship Trust
Modified Cash Basis
For the Two Months Ended August 31, 2022

	Year to date
Operating revenues:	
Instant ticket (Settlements)	\$ 77,086,366.00
Online ticket sales	24,403,173.50
Retailer application, fidelity and service fees	111,057.11
Other revenue	<u>1.02</u>
Total operating revenues	<u>101,600,597.63</u>
Operating expenses:	
Instant game prizes (Settlements)	55,349,582.00
Online game prizes	13,121,566.06
Retailer commissions	5,722,953.45
Gaming contract costs	4,888,397.41
Compensation and benefits	998,607.03
Marketing, advertising and promotions	890,026.83
General and administrative expenses	535,391.46
Services provided by ADHE	169,500.00
Services provided by Legislative Audit Agency	26,400.00
Current year capital asset cost	<u>0.00</u>
Total operating expenses	<u>81,702,424.24</u>
Change in net proceeds from operations	19,898,173.39
Non-operating revenue:	
Interest income	385,274.05
Other non-operating income	0.00
EDUCATION TRUST FUNDING-Current Year	(12,465,979.31)
Less Act 1180 Unclaimed Prizes	(1,814,445.22)
Less current year Bond Reserve Fees	(16,048.63) restricted reserves
Add Bond Funds in excess of \$500,000	0.00 see 23-115-603(a)(5)
Add back Write Off Retailer Bad Debt	0.00
Less current year MUSL Reserves	0.00 see 23-115-103(17) and (19)(A)&(B)
Add OPEB expense in Comp and Benefits	<u>44,000.00</u>
NET PROCEEDS EARNED-Current Month	<u>\$ 6,030,974.28</u>
-Year to Date	<u>\$ 18,496,953.59</u>

	Transfer	Interest	Total
Lottery Scholarship Trust Account	\$ 207,440,496.74	\$ 4,125,559.13	\$ 211,566,055.87
September 2021 funding - 10/15/21	\$ 9,142,317.81	\$ 17,898.41	\$ 9,160,216.22
June 2021 adjustment to funding	\$ (192,215.82)		\$ (192,215.82)
Transfers to ADHE for FY 2022 Concurrent & Workforce Funding 10/8/21	\$ (3,000,000.00)		\$ (3,000,000.00)
October 2021 funding - 11/15/21	\$ 7,744,993.46	\$ 17,156.95	\$ 7,762,150.41
November 2021 funding - 12/15/21	\$ 7,209,024.86	\$ 19,752.98	\$ 7,228,777.84
December 2021 funding - 1/15/22	\$ 7,385,162.18	\$ 20,185.94	\$ 7,405,348.12
January 2022 funding - 2/15/22	\$ 7,741,727.84	\$ 21,088.96	\$ 7,762,816.80
February 2022 funding - 3/15/22	\$ 7,444,508.46	\$ 20,051.05	\$ 7,464,559.51
Transfer to ADHE for FY 2022 Spring Funding 3/4/22	\$ (33,000,000.00)		\$ (33,000,000.00)
March 2022 funding - 4/15/22	\$ 7,384,136.30	\$ 34,227.62	\$ 7,418,363.92
April 2022 funding - 5/15/22	\$ 8,012,114.84	\$ 47,454.08	\$ 8,059,568.92
May 2022 funding - 6/15/22	\$ 7,872,154.05	\$ 114,192.35	\$ 7,986,346.40
Transfer to ADHE for FY 2022 Concurrent Scholarship Funding 6/9/22	\$ (500,000.00)		\$ (500,000.00)
Transfer to ADHE for FY 2022 Workforce Scholarship Funding 6/9/22	\$ (250,000.00)		\$ (250,000.00)
June 2022 funding - 7/15/22	\$ 14,261,993.91	\$ 126,730.86	\$ 14,388,724.77
July 2022 funding - 8/15/22	\$ 12,323,427.00	\$ 142,552.31	\$ 12,465,979.31
August 9, 2022 ADHE Refund of FY 22 unused Scholarship Money	\$ 15,927,228.23		\$ 15,927,228.23
August 2022 funding - 9/15/22	\$ 5,852,986.68	\$ 177,987.60	\$ 6,030,974.28

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Unclaimed Prizes
August 31, 2022

	Monthly	Year to Date
Reserve Balance July 1, 2022		\$1,000,000.00
1. Unclaimed lottery prize money:	\$ 1,527,863.22	1,814,445.22
2. Expenditures from unclaimed lottery prize money:		
3. Reserved for future prizes, promotion or reserves:	1,527,863.22	1,814,445.22
4. Less Deposits to net lottery proceeds from unclaimed Lottery prize money:		
Reserve Balance August 31, 2022		\$1,814,445.22



Minority and Female Owned Business Schedule

Vendors	Expedited Transportation	Pure Cleaning Services	Ingage	Actual Monthly Spending Total
Business Type	DBE	MBE - SERVICE DISABLED VETERAN	Woman owned / Unified DBE certified	
Cert Expires	active on website - requested copy of certification letter	active on website as Vet - no expiration listed	10/20/2022	
Jul-22	\$12,548.98	\$1,226.26	\$83,184.32	\$96,959.56
Aug-22	\$4,081.48	\$1,226.26	\$79,220.65	\$84,528.39
Sep-22				\$0.00
1st Quarter	\$16,630.46	\$2,452.52	\$162,404.97	\$181,487.95
Oct-22				\$0.00
Nov-22				\$0.00
Dec-22				\$0.00
2nd Quarter	\$0.00	\$0.00	\$0.00	\$0.00
Jan-23				\$0.00
Feb-23				\$0.00
Mar-23				\$0.00
3rd Quarter	\$0.00	\$0.00	\$0.00	\$0.00
Apr-23				\$0.00
May-23				\$0.00
Jun-23				\$0.00
4th Quarter	\$ -	\$ -	\$ -	\$0.00
Total to Date	\$ 16,630.46	\$ 2,452.52	\$ 162,404.97	\$181,487.95



Contract Term: 08/2009 - 08/2026

Minority Report - August 2022			
Arkansas Scholarship Lottery			
VENDORS		August	FY to Date Total
A-ABSOLUTE MOVING & HAULING	CMBE		
ADVANTAGE COMMUNICATIONS	MBE		
AFRICAN AMERICAN PERSPECTIVES	MBE		
AJP FARM, LLC	MBE		
BEST BANNER AND SIGNS			
BSW ADVERTISING	FOB		
BUDS GRAPHICS SALES & SERVICE	MBE		
BYRD ENTERPRISE, INC	NAI		
CCI OF ARKANSAS	CMBE		
CHOICE PROMOTION	MBE		
CREATIVE GRAPICS, INC	MBE		
CRENSHAW SIGNS	MBE		
DE'LISA BALENTINE	WBE		
DR. B'S WINDSHIELD REPAIR COMPANY	MBE		
GATHRIGHT VAN AND STORAGE			
GODDESS PRODUCTS	CMBE		
GOVERNMENT SUPPLY SERVICES	CMBE	\$214.71	\$0.00
HOG WASH DETAIL DENT & TINT	MBE		
HOLA! ARKANSAS	MBE		
INCLUSION MAGAZINE	MBE		
LA DESIGNS	WBE		
LAHARPE'S OFFICE FURNITURE	WBE		
LAF PRODUCTION, INC	MBE		
MICKEY'S SPECIAL AFFAIRS	MBE		
MR. B'S 2 MOBILE HAND WASH & WAX	MBE		
NORTHEAST ARKANSAS CLEANING SERVICE	WBE		
PARTY PRINTS	CMBE		
PREMIER STAFFING	WBE		
RIDE N SHINE DETAIL	MOB		
RU-MEL & ASSOCIATES, INC	MBE		
S & P SERVICES	MBE		
STAND NEWS	MBE		
THE AMERICAN BANNER PUBLISHING, LLC	MBE		
TRIVIA MARKETING	WBE		
Total		\$214.71	\$0.00
MBE = Minority Business Enterprise			
CMBE = Certified Minority Business Enterprise			

ARKANSAS SCHOLARSHIP LOTTERY MINORITY FIRMS REPORT

August 31, 2022



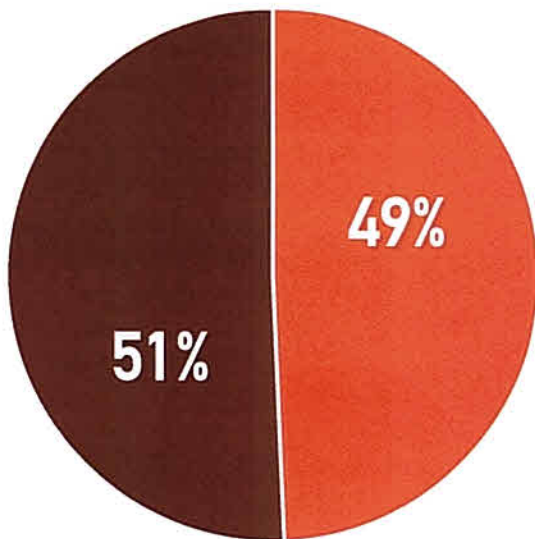
Vendors	J Kelly*	Actual Monthly Spending Total
Business Type	Small, disadvantaged, minority, woman, owned business AEDC ID: 71110	
Cert Expires	10/2023	
Jul-21	\$21,390.00	\$21,390.00
Aug-21	\$27,762.25	\$27,762.25
Sep-21	\$49,005.31	\$49,005.31
1 st Quarter Total	\$98,157.56	\$98,157.56
Oct-21	\$49,551.68	\$49,551.68
Nov-21	\$51,267.91	\$51,267.91
Dec-21	\$74,327.52	\$74,327.52
2 nd Quarter Total to Date	\$175,147.11	\$175,147.11
Jan-22	\$50,929.00	\$50,929.00
Feb-22	\$52,870.08	\$52,870.08
Mar-22	\$50,731.68	\$50,731.68
3 rd Quarter Total to Date	\$154,530.76	\$154,530.76
Apr-22	\$50,731.68	\$50,731.68
May-22	\$50,731.68	\$50,731.68
Jun-22	\$76,097.52	\$76,097.52
4 th Quarter Total to Date	\$177,560.88	\$177,560.88
Jul-22	\$50,731.68	\$50,731.68
Overall Total to Date	\$656,463.36	\$656,463.36

* J. Kelly has 8 fulltime employees working in the Intralot offices, providing Call Center, Retailer Monitoring, and Administrative Support Services.



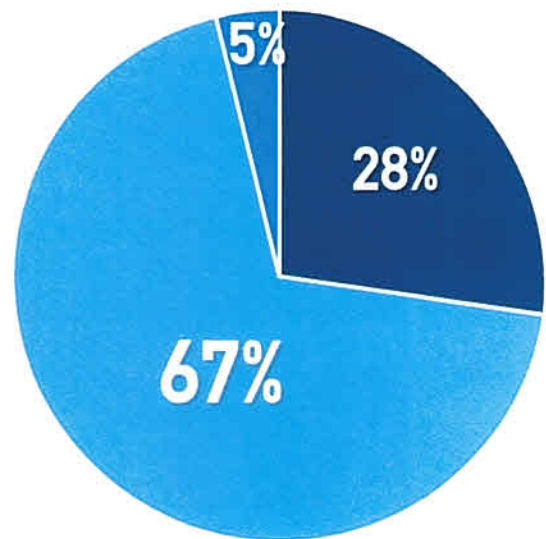
ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
OFFICE OF THE ARKANSAS LOTTERY
AUGUST 2022

GENDER



● FEMALE
● MALE

RACE



● BLACK
● CAUCASIAN
● OTHER MINORITIES



TOTAL NUMBER OF EMPLOYEES AS OF AUGUST 2022: 61



GENDER

Females - 31

Males - 30

RACE

Black - 17 ----- Female - 10 Male - 7

Caucasian - 41 ----- Female - 20 Male - 21

Other - 3 ----- Female - 1 Male - 2



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE ARKANSAS LOTTERY

Post Office Box 3238
Little Rock, Arkansas 72203-3238
Phone: (501) 683-2000
Fax: (501) 683-1878
<http://myarkansaslottery.com>

TO: Chad Miller, Internal Auditor
FR: Eric Hagler, Executive Director
DT: August 22, 2022
RE: Management Response to: "OAL, Extraordinary Event, Fiberoptic Cable, Week of 08.01.2022"

Management's response to the above referenced inquiry by Internal Audit is as follows:

1. IA's understanding is that a fiberoptic cable connecting Intralot and OAL's home office was comprised at the beginning of the week August 1, 2022. As a result, the home office was unable to communicate with the BOS system.

Inquiry of Management:

- What was the cause of the compromised cable?
 - *This incident was triggered by damage to a Lumen-owned fiber cable. Lumen identified a service impact in Little Rock, AR impacting multiple clients who rely upon the Lumen fiber cable network. Lumen advised that the cause of the compromised fiber cable that resulted in the issue was located at a portion of the span where the primary and protected paths traverse the same fiber route entering a facility. This damage resulted in a service interruption of the Intralot VPN connection to Lottery HQ's. This disruption was not caused by any action or inaction on the part of the Lottery nor Intralot.*
- When did OAL become aware?
 - *On Monday morning, August 1, 2022, we realized that we could not connect to BOS. Later Monday morning we were informed that the cause of the issue was a fiber cable cut.*
- What functions of OAL were affected by the compromise?
 - *Due to the damaged fiber cable running between Maumelle and Little Rock, OAL could not connect to Intralot systems, including BOS, ICS 1, RNGs, sFtp, and Ad Hoc report server.*
- Did OAL implement the Disaster and Recovery Plan?
 - *Upon learning of the issue, OAL implemented the portion of BCDR plan necessary to conduct business functions.*

NOTE: The Incident Report prepared by Intralot is attached hereto and included by reference.

2. It is IA's understanding that due to the compromised fiberoptic cable, that the automated draw machines located at OAL were unable to communicate with Intralot to perform the draws. In

these circumstances, the Disaster Recovery Plan calls for the backup automated draw machine at Intralot to be utilized for performing the draws. However, it is IA's further understanding that the backup draw machine was not functioning in a fully automatic function. Due to that a member of the Security Staff was required to physically be at Intralot beginning on Monday, August 1, 2022, through Wednesday, August 3, 2022, Midday to perform manual draws using the automated backup machine.

(IA received a total of 290 emails on Tuesday, August 2, 2022, Evening Draw winning numbers for Cash 3 and Cash 4. On Wednesday, August 3, 2022, IA received a total of 250 Midday Draw winning numbers for Cash 3 and Cash 4. IA was notified after the Midday Draw on that day that the machines were compromised, and that Security Staff had been performing draws Manually since the Monday, August 1, 2022, Midday Draw.)

Inquiry of Management:

- What was the cause of the automated backup machine having to be used manually?
 - *OAL Security became aware of a network outage at approximately 0944 hrs on Monday, August 1, 2022, when the Claims Center reported having issues processing a claim. The cause of the issue was unknown at that time and there was no estimated time for resolution.*
 - *Mid-morning, Security was advised that a fiber cable was damaged somewhere between Lottery HQ in downtown Little Rock and Intralot's office in Maumelle.*
 - *Mid-day, Security was unsure if the auto-draw process would be affected. Accordingly, Security Investigators Anttwon Ross and Greg Mote traveled to Intralot's office to observe the draw. The auto-draw was not successful due to the disruption of communications to the CGS (Central Gaming System) caused by damage to the fiber cable. Due to the time-sensitive nature for conducting the draw, the decision was made to conduct the draw manually. As a result of the fact that remote connectivity to BOS (Back Office System) was lacking, the draw could only be completed by the physical presence of Security Investigators Ross and Mote at the Intralot office location.*
 - *Evening – Investigator Ross returned to Intralot's office later in the day to again observe the auto draw process. Due to ongoing issues with the fiber cable providing communication to the CGS the auto-draw failed. The draw was again conducted manually by Investigator Ross.*
 - *On mid-day, Tuesday, August 2, 2022, the Security Division was physically present to observe the auto-draw process. Due to failure of the auto-draw, Security Investigators again conducted a manual draw while physically present at the Intralot office. Remote access of the*

operating system continued to be compromised as a result of the fiber cable damage; there was no estimated time for resolution by the service provider of the cable.

- *On mid-afternoon, Tuesday, August 2, 2022, the Security Division was advised that some personnel utilizing BOS had successfully connected to the operating system. However, Intralot advised Security personnel that the matter was not considered 'closed.' Intralot further advised Security personnel that the possibility of incurring connectivity issues continued to exist.*
- *Based on the representations of Intralot of the threat of continued connectivity issues, Investigator Ross returned to Intralot offices on the evening of Tuesday, August 2, 2022. Investigator Ross observed the auto-draw process. With connectivity to the system apparently resolved, the auto-draw RNG attempted to process the draw request. Unknown at that time, the reconnection of service triggered the auto-draw RNG to engage repetitive attempts to process the backlog of draws; this process included beginning with the mid-day Monday draw and all draws following. The result of these repetitive attempts to engage draws by the RNG resulted in a flurry of email notifications. Importantly, the RNG was unsuccessful in connecting to Intralot's LAU (production system). To complete the draw in a timely manner, Investigator Ross conducted a manual draw, with the results forwarded to Internal Audit.*
- *On the morning of Wednesday, August 3, 2022, Investigator Ross instructed Intralot to stop and re-start the automation service for Cash 3, Cash 4 and NSJ as an attempt to resolve the repeated draw requests from the previous night.*
- *On mid-day, Wednesday, August 3, 2022, Investigator Ross and Security Division Director Springer physically traveled to Intralot's office to observe the auto-draw process. Once again, the RNG made repeated attempts to process the auto-draw without success. This resulted in a second flurry of email notifications. Investigator Ross and Director Springer conducted a manual draw while physically present at Intralot's office in Maumelle. Auto-draw vendor Szrek Solutions was in communication with Intralot I.T. staff as an attempt to identify and correct the issue. Springer notified Internal Audit (Miller) that remote connection to the operating system had been restored. The email from Springer to Miller advised that Investigator Ross was setting up a Teams meeting with Miller so that the evening draw could be conducted via the current Security Back-up Draw Procedures. The Security Back-up Draw Procedures requires both Security personnel and Internal Audit (Miller) to be able to remotely connect to BOS. The*

auto-draw was successful on this date for the first time since the fiber cable was cut.

- Why was MUSL not utilized as called for in Section 6.4, paragraph two of the Disaster Recovery Plan when all automated machines are compromised and unable to function in a fully automated manner?
 - *Springer was advised by both Investigator Ross and Chief Legal Counsel Standridge that they had discussed the issue with Miller. More specifically, Standridge and Ross advised Miller that the DR procedures for draws were not triggered by this incident as assistance from MUSL was not required to complete the draw functions. MUSL is a catastrophic back-up plan that is intended to be triggered whenever a manual draw cannot be properly conducted due to an inability of the auto-draw program to successfully complete draws.*
 - *In this instance, the BCP-DR back-up draw procedures were ineffective due to the unique situation involving a lack of connectivity to BOS; rather, OAL completed the draws manually through the physical presence of Security Investigators at the Intralot offices. In fact, the redundancy of OAL's capabilities to successfully complete draws proved to be best practice, as the draws were completed manually via physical presence of Lottery Security Investigators.*
 - *OAL has utilized this incident from a 'lessons learned' perspective and have undertaken to begin updating the back-up draw procedures to include instances where remote connectivity to the operating systems are compromised. The revised procedure will require both Lottery Security personnel and Internal Audit personnel to report to Intralot offices in Maumelle to complete manual draws onsite.*
- Why was Internal Audit not notified and requested to observe the draws as required by Rules of the Arkansas Scholarship Lottery, Section 4, paragraph D when draws are performed manually?
 - *Upon forensic review, Security personnel should have notified Internal Audit once it was discovered that the back-up RNG was not connecting to the CGS resulting in failed auto-draws.*
 - *The procedure is being revised to ensure that Internal Audit is timely notified of any deviation from the regular scheduled auto-draw procedures.*
 - *For posterity of the record, it should be noted that the revised procedure will have two (2) back-up draw procedures: (a) one procedure will address incidences wherein remote connectivity is*

possible, and (b) a second procedure will apply to instances (such as the instant matter) in which remote connectivity to BOS is not possible. This second procedure will require both Security personnel and Internal Audit personnel to be present at Intralot's office to complete a manual draw.

- *Importantly, the auto-draw audit feature allows Internal Audit to have access to all draws; Internal Audit (Miller) has had access to this feature since inception of the auto-draw process. Accordingly, Internal Audit has possessed the ability to 'audit' draws to verify all draws conducted, whether automated or manual. Management trusts that this feature is being utilized by Internal Audit as an audit tool.*

- Was there a checklist or procedure form utilized by Security Staff while performing the draws? (If yes, please provide a copy to IA)

- *The Security Division did not have a set of procedures at that time to cover this unique situation. Due to the inability to remotely access the system, the Security Division, sua sponte in response to a time-critical environment, amended the backup remote draw procedures while on-site at Intralot to conduct the manual draw.*

Incident Report Form

General Information	
Prepared By	Thomas Hall
Date of Incident	08/01/2022
Time of Incident	07:41am
Total Down Time	1 day, 8 hours, and 0 seconds.
Distribution Date	Draft – 08/18/2022
System Interruptions	BOS, ICS 1, RNGs, sFtp, and Ad Hoc report server. No interruptions with core CGS functions.
Intralot Ticket	USSD-1360
Intralot Escalation Made To	
VP, Operations	John McCormick
Regional Manager	Paul Ostendorf
General Manager	Tom Hall
Operations Manager	Thomas Hall – Acting
Lottery Escalation Made To	
Lottery Personnel	Mike Smith, Anita Junior, Mark Hearn, Angela Springer, Christopher Pabin, Eric Hagler, Brent Standridge, Jerry Fetzer, Justin Webb, Brandi Ratcliff
Service Ticket	N/A

Initial Description

On 08/01/2022 07:41am Intralot's Tier II team noticed LIT-LOTTERY-RTR1/2 Showing Down in Nagios monitoring. ASL Lottery official also notified the Arkansas GM at 07:44 that they were unable to access the BOS system and perform their normal claim center processing. Tier II engaged the Network team and after performing their checks at ticket was opened with the carrier at 08:27am CST. At approx. 10:35am it was reported that the issue was traced to a fiber cut, which created service outages with other Clients in the area.

Incident Cause

Preliminary reports from carrier point to this incident being caused by damage to a third party carrier used by multiple carriers in the state. Lumen identified a service impact in Little Rock, AR area. We also learned that this damage impacted multiple clients who rely upon this fiber ring within the state. The damage resulted in a service interruption of the Intralot connection to the Lottery HQ's, but was not caused by any action or inaction on the part of the Lottery nor Intralot.

Impact

BOS, ICS 1, RNGs, sFtp, and Ad Hoc report server were unable to connect resulting in the ASL having to invoke their disaster recovery procedure to execute critical Drawing and Business processes and procedures.

Short Term Solution

Network carrier (Lumen) re-connected damage fiber cables. Services declared restored by Network Carrier on 08/02/2022 at Approx. 04:25pm.

Long Term Solution

The Intralot Network team is currently working on a proposed backup network solution. The estimated time frame for the solution proposal is late August or early September. A time estimate for the implementation of the long-term will be provided as soon as the scoping and effort estimations have been completed.

Sales Analysis

N/A – No impact to sales.

DFA/Office of the Arkansas Lottery
Instant & Fast Play Games
August 2022

Sales for the following instant games began August 2, 2022. No ending dates have been determined for these games.

\$1 MONOPOLY™ X10¹
\$2 MONOPOLY™ X20¹
\$5 MONOPOLY™ X50¹
\$10 \$10K Cash
\$20 \$50,000 Blast!

¹MONOPOLY™ X10, MONOPOLY™ X20, and MONOPOLY™ X50 are licensed property games. There are no additional costs for these games.

Sales for the following instant games began August 30, 2022. No ending dates have been determined for these games.

\$2 \$20,000 Casino Nights
\$3 Cash Wheel
\$5 Ca\$h Plu\$
\$10 777

Sales for the following Fast Play games began August 1, 2022. No ending dates have been determined for these games.

\$1 Jumbo Bucks
\$1 In Between

Sales for the following Fast Play games began August 29, 2022. No ending dates have been determined for these games.

\$1 Tic Tac Rock
\$1 3 Times Lucky

Arkansas Department of Finance and Administration
Office of the Arkansas Lottery
Requests Received from ADHE
August 1 through August 31, 2022



No request were received during the Reporting Period (August 2022).