



VIRGINIA LOTTERY MEGAPLIER

REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE PERIOD

APRIL 1, 2021 THROUGH MARCH 31, 2022

Auditor of Public Accounts

Staci A. Henshaw, CPA

www.apa.virginia.gov

(804) 225-3350





Commonwealth of Virginia

Auditor of Public Accounts

Staci A. Henshaw, CPA
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

July 24, 2022

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 as agreed to by the Virginia Lottery and the other member lotteries in states of Georgia, Illinois, Massachusetts, Maryland, Michigan, New Jersey, Ohio, and Washington (referred to as the "Member Lotteries"), which operate **Megaplier**, solely to assist the Virginia Lottery and Member Lotteries with respect to the evaluation of the following financial information associated with Megaplier: Virginia Lottery's sales and prize expense for the period April 1, 2021, through March 31, 2022, and the Virginia Lottery's receivable or payable as of March 31, 2022. The Virginia Lottery is responsible for its records of the financial information associated with Megaplier.

The Virginia Lottery has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of conducting an evaluation of the financial information association with Virginia Lottery's operation of Megaplier, for the period of April 1, 2021, through March 31, 2022. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Agreed-Upon Procedures Related to Megaplier

The procedures and the associated findings are as follows:

1. We obtained from the Virginia Lottery the "Draw Activity" and the "Fixed Prize Analysis" for the period April 1, 2021, through March 31, 2022, and attached those as Exhibits I and II, respectively. We verified the mathematical accuracy of the schedules.

2. We randomly selected the following five draw dates from the period April 1, 2021, through March 31, 2022:

May 25, 2021

August 6, 2021

August 17, 2021

November 9, 2021

February 11, 2022

3. For each draw date selected in step “2” 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 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.
4. We calculated the total dollar amount of the fixed prizes for the draw dates selected in step “2” 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 Megaplier 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.
5. For each draw date selected in step “2” 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 Megaplier Prize Settlement Reports and found them to be in agreement.
6. 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.
7. There were no Prize Tier (2) Two prizes won in the Virginia Lottery in any of the drawings selected in step “2” above.
8. We compared the total of the period transfers from/to 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.

9. We compared the balance listed as the Virginia Lottery’s payable as of March 31, 2022, 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 Megaplier Prize Settlement Report as of March 31, 2022, and found them to be in agreement.

We were engaged by the Virginia Lottery to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit, examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Virginia Lottery’s sales and prize expense for the period April 1, 2021, through March 31, 2022, and the Virginia Lottery’s receivable or payable as of March 31, 2022. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Virginia Lottery and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

VIRGINIA LOTTERY
Megaplier
Virginia Draw Activity
From April 2, 2021, to March 29, 2022

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
4/2/2021	\$ 117,554	\$ 17,242	\$ 17,256	\$ -	\$ -
4/6/2021	110,955	34,584	37,826	-	-
4/9/2021	122,105	19,188	19,411	-	-
4/13/2021	123,545	63,894	64,685	-	-
4/16/2021	126,978	85,944	63,957	-	-
4/20/2021	124,138	40,468	43,141	-	-
4/23/2021	130,796	37,896	43,358	-	-
4/27/2021	131,284	65,562	59,970	-	-
4/30/2021	155,453	58,800	57,212	-	-
5/4/2021	149,586	42,880	329,196	-	-
5/7/2021	157,780	95,418	111,021	-	-
5/11/2021	162,667	57,676	52,690	-	-
5/14/2021	186,687	32,070	30,438	-	-
5/18/2021	202,594	1,032,622	170,741	-	-
5/21/2021	252,318	102,232	103,188	-	-
5/25/2021	86,512	32,668	30,847	-	-
5/28/2021	91,343	16,176	15,480	-	-
6/1/2021	82,820	13,040	12,376	-	-
6/4/2021	92,529	28,824	29,033	-	-
6/8/2021	88,711	45,900	28,848	-	-
6/11/2021	84,894	39,252	41,175	-	-
6/15/2021	81,546	43,566	42,319	-	-
6/18/2021	85,439	13,206	12,072	-	-
6/22/2021	81,090	33,096	34,825	-	-
6/25/2021	87,402	67,170	489,072	-	-
6/29/2021	84,484	24,308	23,221	-	-
7/2/2021	96,943	15,860	14,536	-	-
7/6/2021	86,128	24,704	30,536	-	-
7/9/2021	93,592	12,252	13,188	-	-
7/13/2021	91,632	15,416	16,608	-	-
7/16/2021	97,187	39,342	49,865	-	-
7/20/2021	94,508	17,902	18,081	-	-
7/23/2021	107,116	29,424	35,442	-	-
7/27/2021	97,782	31,824	32,850	-	-
7/30/2021	105,962	53,940	40,483	-	-
8/3/2021	108,659	19,366	21,243	-	-
8/6/2021	109,438	16,922	18,847	-	-

VIRGINIA LOTTERY
Megaplier
Virginia Draw Activity
From April 2, 2021, to March 29, 2022

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
8/10/2021	107,956	17,102	17,973	-	-
8/13/2021	118,669	23,116	21,788	-	-
8/17/2021	111,994	37,688	34,716	-	-
8/20/2021	119,282	14,816	16,271	-	-
8/24/2021	112,285	16,214	16,655	-	-
8/27/2021	121,852	32,648	37,516	-	-
8/31/2021	128,876	38,800	40,962	-	-
9/3/2021	135,957	27,488	24,538	-	-
9/7/2021	125,338	40,380	39,996	-	-
9/10/2021	140,086	18,466	19,875	-	-
9/14/2021	140,561	21,546	23,401	-	-
9/17/2021	161,161	44,152	46,409	-	-
9/21/2021	164,109	51,024	57,038	-	-
9/24/2021	93,651	49,824	33,052	-	-
9/28/2021	86,560	36,564	41,582	-	-
10/1/2021	103,951	16,328	15,650	-	-
10/5/2021	102,258	46,188	50,113	-	-
10/8/2021	94,034	52,752	52,325	-	-
10/12/2021	87,432	27,016	32,262	-	-
10/15/2021	96,403	24,744	28,040	-	-
10/19/2021	88,729	30,656	36,304	-	-
10/22/2021	98,729	28,224	34,192	-	-
10/26/2021	71,585	38,910	37,690	-	-
10/29/2021	86,482	29,128	29,871	-	-
11/2/2021	76,202	13,246	12,913	-	-
11/5/2021	80,824	12,354	12,044	-	-
11/9/2021	74,252	25,176	32,315	-	-
11/12/2021	82,580	12,602	12,697	-	-
11/16/2021	75,381	24,648	27,038	-	-
11/19/2021	83,354	52,536	53,025	-	-
11/23/2021	78,779	22,152	22,970	-	-
11/26/2021	79,551	12,692	162,773	-	-
11/30/2021	83,576	13,502	14,656	-	-
12/3/2021	91,083	53,856	57,942	-	-
12/7/2021	84,670	23,348	15,300	-	-
12/10/2021	92,666	13,768	17,756	-	-
12/14/2021	92,119	25,592	25,126	-	-

VIRGINIA LOTTERY
Megaplier
Virginia Draw Activity
From April 2, 2021, to March 29, 2022

Exhibit I

Draw Date	Sales	Actual Fixed Prizes	Share of Fixed Prizes	Annuitized JP Amount	Cash Options Amount
12/17/2021	97,559	29,756	33,755	-	-
12/21/2021	92,328	23,244	26,904	-	-
12/24/2021	116,242	17,746	16,378	-	-
12/28/2021	108,980	45,488	52,517	-	-
12/31/2021	165,181	53,900	356,136	-	-
1/4/2022	125,805	47,228	53,257	-	-
1/7/2022	147,427	45,136	45,428	-	-
1/11/2022	134,836	18,354	19,645	-	-
1/14/2022	144,482	37,236	33,805	-	-
1/18/2022	127,972	62,850	71,823	-	-
1/21/2022	142,488	18,040	19,914	-	-
1/25/2022	140,104	64,088	53,681	-	-
1/28/2022	172,250	80,852	327,075	-	-
2/1/2022	79,314	32,880	35,051	-	-
2/4/2022	85,011	36,060	41,826	-	-
2/8/2022	76,459	20,476	22,903	-	-
2/11/2022	83,104	42,960	37,034	-	-
2/15/2022	77,690	29,144	27,370	-	-
2/18/2022	88,579	35,658	42,239	-	-
2/22/2022	90,013	31,776	32,014	-	-
2/25/2022	91,456	30,248	27,067	-	-
3/1/2022	91,798	23,504	15,804	-	-
3/4/2022	99,857	55,110	54,648	-	-
3/8/2022	92,018	26,336	30,043	-	-
3/11/2022	77,713	19,212	23,858	-	-
3/15/2022	68,867	40,584	38,817	-	-
3/18/2022	77,163	66,954	44,920	-	-
3/22/2022	71,136	23,236	31,750	-	-
3/25/2022	77,723	13,506	13,365	-	-
3/29/2022	71,745	11,410	13,073	-	-
Totals	\$11,178,434	\$4,572,852	\$5,151,911	\$ -	\$ -

VIRGINIA LOTTERY

Megaplier

Fixed Prize Analysis

From April 2, 2021, to March 29, 2022

Exhibit II

States	Receivable (Payable)	Actual Fixed Prizes	Share of Fixed Prizes	Qtrly/Yrly Settlements Transfers In/(Out)	Receivable (Payable)
Georgia	\$(401,642)	\$ 2,389,900	\$ 3,445,451	\$(1,035,834)	\$(421,359)
Illinois	268,631	3,685,206	5,196,317	(554,592)	(687,888)
Massachusetts	(176,635)	4,575,762	2,295,738	2,472,445	(369,056)
Maryland	(321,170)	2,069,014	2,946,766	(770,076)	(428,846)
Michigan	1,589,476	5,965,934	4,382,436	820,948	2,352,026
New Jersey	(386,670)	3,229,412	4,685,191	(1,151,772)	(690,677)
Ohio	(660,457)	6,097,148	5,807,303	(1,675,829)	1,305,217
Virginia	380,347	4,572,852	5,151,911	560,671	(759,383)
Washington	(291,880)	3,321,662	1,995,777	1,334,039	(300,034)
Totals	\$ -	\$35,906,890	\$35,906,890	\$ -	\$ -