



VIRGINIA LOTTERY POWERBALL

REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE PERIOD

APRIL 1, 2021 THROUGH MARCH 31, 2022

Auditor of Public Accounts

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Commonwealth of Virginia

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P.O. Box 1295
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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 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, 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 Powerball.

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 Powerball, 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 Powerball

The procedures and the associated findings are as follows:

1. We obtained from the Virginia Lottery the "Draw Activity" and the "Fixed Prize Analysis" reports 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 Powerball drawings from the period April 1, 2021, through March 31, 2022, and tested as indicated in “3,” “4,” and “5” below.

April 7, 2021

May 12, 2021

June 16, 2021

September 22, 2021

January 19, 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 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.
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 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.
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 Powerball 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; therefore, no work was performed.
8. There were no amounts listed in the “Cash Options Amount” column of the “Draw Activity” report attached as Exhibit I; therefore, no work was performed.
9. There were no investment purchases associated with jackpot prizes; therefore, no work was performed.

10. 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.
11. 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 Powerball 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 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
Powerball
Virginia Draw Activity
From April 3, 2021, to March 30, 2022

Exhibit I

| State | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|-------|-----------|------------|---------------------|-----------------------|----------------------|---------------------|
| | 4/3/2021 | \$ 649,486 | \$ 64,910 | \$ 73,665 | \$ - | \$ - |
| | 4/7/2021 | 573,542 | 45,621 | 56,524 | - | - |
| | 4/10/2021 | 649,992 | 113,184 | 71,427 | - | - |
| | 4/14/2021 | 585,906 | 51,213 | 66,599 | - | - |
| | 4/17/2021 | 671,902 | 106,997 | 78,648 | - | - |
| | 4/21/2021 | 605,580 | 54,317 | 78,859 | - | - |
| | 4/24/2021 | 722,372 | 59,399 | 75,857 | - | - |
| | 4/28/2021 | 696,108 | 59,308 | 185,492 | - | - |
| | 5/1/2021 | 777,822 | 72,176 | 81,282 | - | - |
| | 5/5/2021 | 705,692 | 108,295 | 176,268 | - | - |
| | 5/8/2021 | 801,736 | 128,244 | 208,859 | - | - |
| | 5/12/2021 | 723,760 | 65,268 | 83,110 | - | - |
| | 5/15/2021 | 833,362 | 169,528 | 104,802 | - | - |
| | 5/19/2021 | 856,846 | 81,932 | 192,982 | - | - |
| | 5/22/2021 | 991,680 | 196,259 | 211,526 | - | - |
| | 5/26/2021 | 941,868 | 78,340 | 104,598 | - | - |
| | 5/29/2021 | 1,018,118 | 87,766 | 113,882 | - | - |
| | 6/2/2021 | 951,764 | 1,136,315 | 322,336 | - | - |
| PB | 6/5/2021 | 1,036,018 | 135,711 | 121,825 | - | - |
| | 6/9/2021 | 570,920 | 103,938 | 75,032 | - | - |
| | 6/12/2021 | 615,652 | 57,511 | 62,409 | - | - |
| | 6/16/2021 | 578,400 | 98,241 | 64,607 | - | - |
| | 6/19/2021 | 659,478 | 53,036 | 76,298 | - | - |
| | 6/23/2021 | 600,810 | 48,934 | 69,968 | - | - |
| | 6/26/2021 | 674,676 | 109,214 | 80,000 | - | - |
| | 6/30/2021 | 654,700 | 105,450 | 82,776 | - | - |
| | 7/3/2021 | 770,672 | 115,316 | 80,559 | - | - |
| | 7/7/2021 | 717,618 | 65,160 | 103,716 | - | - |
| | 7/10/2021 | 764,932 | 72,576 | 92,082 | - | - |
| | 7/14/2021 | 695,668 | 64,323 | 67,164 | - | - |
| | 7/17/2021 | 784,520 | 73,875 | 92,958 | - | - |
| | 7/21/2021 | 725,276 | 69,282 | 183,127 | - | - |
| | 7/24/2021 | 806,160 | 1,076,899 | 515,101 | - | - |
| | 7/28/2021 | 755,790 | 70,771 | 75,222 | - | - |
| | 7/31/2021 | 877,516 | 82,537 | 96,156 | - | - |
| | 8/4/2021 | 828,490 | 121,070 | 190,891 | - | - |
| | 8/7/2021 | 915,652 | 75,428 | 108,196 | - | - |
| | 8/11/2021 | 910,336 | 130,776 | 344,380 | - | - |

VIRGINIA LOTTERY
Powerball
Virginia Draw Activity
From April 3, 2021, to March 30, 2022

Exhibit I

| State | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|-------|------------|-----------|---------------------|-----------------------|----------------------|---------------------|
| | 8/14/2021 | 955,866 | 83,816 | 212,292 | - | - |
| | 8/18/2021 | 884,218 | 73,491 | 195,308 | - | - |
| | 8/21/2021 | 997,456 | 91,715 | 219,549 | - | - |
| | 8/23/2021 | 456,050 | 89,229 | 50,320 | - | - |
| | 8/25/2021 | 669,878 | 58,037 | 76,708 | - | - |
| | 8/28/2021 | 1,046,810 | 89,478 | 406,583 | - | - |
| | 8/30/2021 | 484,452 | 44,648 | 146,343 | - | - |
| | 9/1/2021 | 778,302 | 119,713 | 78,404 | - | - |
| | 9/4/2021 | 1,117,838 | 91,694 | 236,850 | - | - |
| | 9/6/2021 | 511,190 | 46,217 | 50,520 | - | - |
| | 9/8/2021 | 813,862 | 120,611 | 94,893 | - | - |
| | 9/11/2021 | 1,257,220 | 110,824 | 125,373 | - | - |
| | 9/13/2021 | 643,650 | 105,748 | 69,967 | - | - |
| | 9/15/2021 | 990,282 | 184,733 | 214,045 | - | - |
| | 9/18/2021 | 1,425,800 | 237,144 | 252,519 | - | - |
| | 9/20/2021 | 737,434 | 64,457 | 82,262 | - | - |
| | 9/22/2021 | 1,173,334 | 107,992 | 226,172 | - | - |
| | 9/25/2021 | 2,006,402 | 176,566 | 397,254 | - | - |
| | 9/27/2021 | 1,162,516 | 1,108,756 | 205,988 | - | - |
| | 9/29/2021 | 1,812,362 | 340,402 | 483,502 | - | - |
| | 10/2/2021 | 3,570,038 | 301,673 | 473,620 | - | - |
| CA | 10/4/2021 | 2,932,712 | 1,356,323 | 590,099 | - | - |
| | 10/6/2021 | 572,094 | 46,257 | 67,807 | - | - |
| | 10/9/2021 | 670,578 | 114,349 | 79,819 | - | - |
| | 10/11/2021 | 336,858 | 28,006 | 28,770 | - | - |
| | 10/13/2021 | 451,460 | 87,222 | 48,672 | - | - |
| | 10/16/2021 | 653,124 | 61,704 | 86,303 | - | - |
| | 10/18/2021 | 346,150 | 32,189 | 36,241 | - | - |
| | 10/20/2021 | 464,484 | 145,361 | 54,685 | - | - |
| | 10/23/2021 | 686,500 | 105,631 | 99,495 | - | - |
| | 10/25/2021 | 374,062 | 32,033 | 32,700 | - | - |
| | 10/27/2021 | 528,830 | 48,181 | 67,333 | - | - |
| | 10/30/2021 | 778,798 | 167,347 | 94,376 | - | - |
| | 11/1/2021 | 426,170 | 89,096 | 59,207 | - | - |
| | 11/3/2021 | 527,908 | 92,554 | 53,970 | - | - |
| | 11/6/2021 | 801,690 | 72,749 | 200,916 | - | - |
| | 11/8/2021 | 435,490 | 39,134 | 9,287 | - | - |
| | 11/10/2021 | 625,958 | 53,951 | 75,486 | - | - |

VIRGINIA LOTTERY
Powerball
Virginia Draw Activity
From April 3, 2021, to March 30, 2022

Exhibit I

| State | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|-------|------------|-----------|---------------------|-----------------------|----------------------|---------------------|
| | 11/13/2021 | 839,294 | 77,892 | 94,014 | - | - |
| | 11/15/2021 | 454,704 | 37,607 | 53,649 | - | - |
| | 11/17/2021 | 598,530 | 50,321 | 55,218 | - | - |
| | 11/20/2021 | 884,238 | 178,235 | 196,573 | - | - |
| | 11/22/2021 | 492,106 | 42,124 | 152,365 | - | - |
| | 11/24/2021 | 705,054 | 62,720 | 76,208 | - | - |
| | 11/27/2021 | 852,978 | 79,263 | 189,506 | - | - |
| | 11/29/2021 | 533,656 | 96,372 | 56,637 | - | - |
| | 12/1/2021 | 687,796 | 58,277 | 69,046 | - | - |
| | 12/4/2021 | 1,031,344 | 137,929 | 339,471 | - | - |
| | 12/6/2021 | 550,468 | 47,965 | 58,259 | - | - |
| | 12/8/2021 | 701,110 | 61,496 | 76,111 | - | - |
| | 12/11/2021 | 1,071,462 | 99,184 | 213,171 | - | - |
| | 12/13/2021 | 624,800 | 57,691 | 171,652 | - | - |
| | 12/15/2021 | 881,236 | 76,090 | 189,729 | - | - |
| | 12/18/2021 | 1,185,296 | 152,694 | 130,601 | - | - |
| | 12/20/2021 | 684,354 | 59,273 | 352,363 | - | - |
| | 12/22/2021 | 932,640 | 131,023 | 119,368 | - | - |
| | 12/25/2021 | 1,592,416 | 190,315 | 186,632 | - | - |
| | 12/27/2021 | 1,279,218 | 111,414 | 253,656 | - | - |
| | 12/29/2021 | 1,837,646 | 236,021 | 354,442 | - | - |
| | 1/1/2022 | 3,349,652 | 423,919 | 499,348 | - | - |
| | 1/3/2022 | 1,772,542 | 156,899 | 195,128 | - | - |
| CA/PB | 1/5/2022 | 3,365,728 | 556,916 | 650,289 | - | - |
| | 1/8/2022 | 713,158 | 67,878 | 82,360 | - | - |
| | 1/10/2022 | 351,174 | 36,855 | 65,052 | - | - |
| | 1/12/2022 | 450,782 | 90,129 | 51,268 | - | - |
| | 1/15/2022 | 683,036 | 115,446 | 86,869 | - | - |
| | 1/17/2022 | 303,318 | 26,014 | 30,568 | - | - |
| | 1/19/2022 | 460,012 | 43,498 | 42,273 | - | - |
| | 1/22/2022 | 611,704 | 55,091 | 164,711 | - | - |
| | 1/24/2022 | 357,186 | 29,301 | 39,213 | - | - |
| | 1/26/2022 | 469,024 | 36,668 | 52,846 | - | - |
| | 1/29/2022 | 708,204 | 169,547 | 91,960 | - | - |
| | 1/31/2022 | 427,232 | 35,888 | 41,152 | - | - |
| | 2/2/2022 | 580,828 | 48,572 | 64,864 | - | - |
| | 2/5/2022 | 790,878 | 171,214 | 100,974 | - | - |
| | 2/7/2022 | 450,452 | 41,882 | 45,812 | - | - |

VIRGINIA LOTTERY
Powerball
Virginia Draw Activity
From April 3, 2021, to March 30, 2022

Exhibit I

| State | Draw Date | Sales | Actual Fixed Prizes | Share of Fixed Prizes | Annuitized JP Amount | Cash Options Amount |
|-------|---------------|----------------------|---------------------|-----------------------|----------------------|---------------------|
| | 2/9/2022 | 585,002 | 98,178 | 63,533 | - | - |
| | 2/12/2022 | 864,534 | 85,964 | 207,877 | - | - |
| PB | 2/14/2022 | 468,292 | 42,217 | 142,633 | - | - |
| | 2/16/2022 | 404,946 | 32,592 | 43,119 | - | - |
| | 2/19/2022 | 578,080 | 60,298 | 73,496 | - | - |
| | 2/21/2022 | 317,122 | 31,303 | 34,712 | - | - |
| | 2/23/2022 | 439,630 | 39,796 | 53,912 | - | - |
| | 2/26/2022 | 599,720 | 51,072 | 177,560 | - | - |
| | 2/28/2022 | 341,456 | 31,284 | 135,630 | - | - |
| | 3/2/2022 | 436,752 | 90,057 | 54,311 | - | - |
| | 3/5/2022 | 638,256 | 61,746 | 72,032 | - | - |
| | 3/7/2022 | 349,926 | 29,115 | 43,806 | - | - |
| | 3/9/2022 | 458,926 | 41,625 | 172,299 | - | - |
| | 3/12/2022 | 755,718 | 118,030 | 85,206 | - | - |
| | 3/14/2022 | 414,886 | 35,610 | 56,433 | - | - |
| | 3/16/2022 | 529,472 | 46,765 | 66,975 | - | - |
| | 3/19/2022 | 760,218 | 67,403 | 104,198 | - | - |
| | 3/21/2022 | 442,968 | 35,845 | 46,222 | - | - |
| | 3/23/2022 | 542,330 | 97,835 | 71,741 | - | - |
| | 3/26/2022 | 795,810 | 69,124 | 100,586 | - | - |
| | 3/28/2022 | 464,452 | 44,561 | 43,422 | - | - |
| | 3/30/2022 | 612,366 | 167,236 | 121,620 | - | - |
| | Totals | \$109,874,764 | \$17,155,430 | \$18,567,502 | \$ - | \$ - |

VIRGINIA LOTTERY
Powerball
Fixed Prize Analysis
From April 3, 2021, to March 30, 2022

Exhibit II

| States | Receivable (Payable) | Actual Fixed Prizes | Share of Fixed Prizes | Qtrly/Yrly Settlements Transfers In/(Out) | Receivable (Payable) |
|---------------|-------------------------|------------------------|--------------------------|--|-------------------------|
| Georgia | \$ 789,795 | \$ 24,478,861 | \$ 23,332,535 | \$ 1,785,637 | \$ 150,484 |
| Illinois | 2,707,734 | 21,876,938 | 23,329,283 | 738,135 | 517,254 |
| Massachusetts | (1,570,159) | 18,287,825 | 19,487,976 | (2,244,725) | (525,585) |
| Maryland | (983,500) | 21,714,797 | 17,621,567 | 2,557,910 | 551,820 |
| Michigan | (1,070,109) | 24,583,506 | 24,699,945 | (1,458,254) | 271,706 |
| New Jersey | 462,744 | 36,608,254 | 34,084,609 | 2,034,894 | 951,495 |
| Ohio | (1,738,104) | 18,807,625 | 20,888,093 | (2,735,831) | (1,082,741) |
| Virginia | (441,489) | 17,155,430 | 18,567,502 | (1,282,437) | (571,124) |
| Washington | 1,843,088 | 9,401,756 | 10,903,482 | 604,671 | (263,309) |
| Totals | \$ - | \$192,914,992 | \$192,914,992 | \$ - | \$ - |