



13001 University Avenue
Clive · Iowa 50325-8225
515-725-7900
www.ialottery.com

Terry E. Branstad · Governor
Kim Reynolds · Lt. Governor

Terry Rich · Chief Executive Officer

AGENDA
IOWA LOTTERY BOARD
December 9, 2015
10:30 a.m.

- I. Call to Order
 - a. Approval of Minutes
- II. Retailer Compensation Program-Amendment
- III. Contract Extension-Pull-Tab Printing Agreement
- IV. RFP – Random Number Generator Drawing System
- V. Quarterly Reports
 - a. Financial
 - b. Marketing
 - c. Security
 - d. Legislative
 - i. Self-Service Kiosks
 - e. Legal/Hot Lotto
- VI. Lucky For Life Update
- VII. CEO Report/Industry Update
- VIII. Adjournment

If you require the assistance of auxiliary aids or services to participate in or attend the meeting because of a disability, please call our ADA coordinator at 515-725-7864, or if you are hearing impaired, call Relay TTY at 1-800-735-2942.

MINUTES
IOWA LOTTERY BOARD
October 20, 2015

The Iowa Lottery Board convened at 2:31 p.m., Board Chairperson Matt McDermott presiding.

Board members participating by teleconference: Matt McDermott, Mike Klappholz, Mary Rathje.

Lottery staff present on teleconference: Terry Rich, CEO; Larry Loss, EVP; Rob Porter, VP, Legal Counsel; Jamie Shae, Sr. Project Director/Board Secretary.

Chairperson McDermott called the meeting to order and announced that the meeting would be held via teleconference in accordance with Iowa Code section 21.8.

Klappholz moved to conduct the meeting via teleconference. Rathje seconded. Motion carried unanimously.

Roll call showed that Klappholz, Rathje, McDermott, Porter, Rich, Loss, and Shae were present on the call.

APPROVAL OF MINUTES

Rathje moved to approve the minutes, Klappholz seconded. Motion carried unanimously.

McDermott stated: "The Chair is advised that the CEO has a matter to discuss with the Board within the parameters of Iowa Code section 21.5(1)(i) that pertained to a personnel issue. The employee involved has furnished a written request that any discussions take place in closed session as provided by law. The Chair noted that a vote is required during the public portion of the meeting prior to entering closed session.

"The Chair will now entertain a motion to go into closed session pursuant to the provisions of Iowa Code Chapter 21.5(1)(i) which provides for a closed session to evaluate the professional competency of an individual whose appointment, hiring, performance or discharge is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session. Do I hear such a motion?"

Rathje moved and Klappholz seconded. Roll call vote shows Klappholz - aye; Rathje - aye; McDermott - aye. Motion carried unanimously.

Open session suspended at 2:36 p.m. Open session resumes at 2:48 p.m. McDermott called the meeting back in session.

Rich stated that he recommends that an offer of employment for the position of Lottery Vice President of Security be made to Cameron Coppess of West Des Moines, Iowa, with an annual salary of \$100,568.

Klappholz moved to accept the recommendation. Rathje seconded. Motion carried unanimously.

Adjournment

Rathje moved to adjourn. Klappholz seconded. Motion carried unanimously.

Meeting adjourned at 2:49 p.m.

IOWA LOTTERY

Retailer Compensation Program

January 24, 2016

ON-LINE GAMES

Retailers will receive a base commission rate of 5.5% on all on-line tickets sold.

Ticket Allowance:

Retailers will receive an additional 0.1% of the sales of all on-line games added to the base commission rate for tickets that are damaged or produced in error.

Sliding Scale Incentive:

In addition to the base commission, the Lottery will establish an on-line sales base* for each eligible retailer. Retailer sales will be monitored and retailers who increase their sales will be awarded bonuses as defined by the chart below:

Sliding Scale for sales increases:

10-19% increase	1% of increase Bonus
20-29% increase	2% of increase Bonus
30-39% increase	3% of increase Bonus
40%+ increase	4% of increase Bonus

* Lucky for Life game sales will be included in this incentive beginning January 1, 2018. Raffle and Monopoly Millionaires' Club game sales are not included in the sliding scale incentive bonus.

Additional Bonuses:

High Tier Prize Sales Bonus:

Powerball Jackpot winning ticket	\$10,000
Mega Millions Jackpot winning ticket	\$10,000
Hot Lotto Jackpot winning ticket	\$ 5,000
Lucky for Life Top Prize winning ticket**	\$ 5,000
Lucky for Life Second Prize winning ticket***	\$ 500

With the exception of the prizes listed above, all non-jackpot winning on-line game tickets of \$100,000 or more will receive a bonus of 1/10 of 1 percent of the prize amount (e.g. \$100,000 winning ticket earns a \$100 bonus).

* Lucky for Life sales begin on January 24, 2016

** Lucky for Life Top Prize is \$1,000 a day for life

***Lucky for Life Second Prize is \$25,000 a year for life

Peak Sales Bonuses on Powerball/Powerplay and Mega Millions/Megaplier:

Retailers will receive a 0.5% sales bonus on all sales when the Powerball or

Mega Millions jackpot is equal to or exceeds \$200 million. Sales will be tracked during the jackpot run and the bonuses will be awarded after the jackpot is won.

PULL-TAB GAMES

Retailers will receive a 5% commission on the sale of all pull-tab tickets.

INSTANT GAMES

Retailers will receive 5.5% commission on the sale of all instant tickets.

Retailers can become GOLD STAR PROGRAM members and will receive a 7% commission on the sale price of tickets sold when they meet the following requirements:

1. Comply with all advertising requirements:

- A. Lottery Door Decal
- B. Game Brochures
- C. 19" Flat Panel Monitor

The monitor must be located in the primary sales area adjacent to the Wave terminal.

2. Sell sixteen (16) or more different games from dispenser(s). Games must be:

- A. Displayed in the primary sales area in a highly visible Lottery approved location
- B. Displayed on the front counter in plain view of the public, in Lottery approved dispensers
- C. Maintain inventory levels necessary to keep the dispensers full at all times

3. As a function of the courier delivery system, the retailer agrees to accept the delivery of, activate and place the tickets for sale.

Gold Star retailers must be in compliance with the above requirements. If the retailer is not in compliance when the DSR makes the (scheduled) sales call, the DSR must change the retailer back to the 5.5 % commission rate. If the retailer meets the requirements, they will remain at the 7% Gold Star commission rate.

OTHER INCENTIVES

Through the course of a fiscal year, the Lottery may choose to offer special incentives for retailer related activities not covered by the categories detailed elsewhere in this document. The incentives would include, but are not limited to, incentive money, lottery tickets and merchandise prizes. The total value of the incentives for this section will not exceed \$40,000 in any fiscal year.



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Date: December 9, 2015

To: Iowa Lottery Board
From: Larry L. Loss
Re: Pull-tab ticket printing contract extensions

The Iowa Lottery issued RFP IL 14-02, Request for Proposal, Purchase of Pull-tab Tickets on December 13, 2013.

The purpose of this Request for Proposal (RFP) was to solicit proposals from qualified firms or vendors interested in printing pull-tab tickets and providing related services for the Iowa Lottery Authority (Lottery), pursuant to the authority of Iowa Code, Chapter 99G. The Lottery intended to award one vendor a single contract but reserved the right at its sole discretion to award additional contracts to print Lottery pull-tab tickets. The award of the contract did not guarantee the Lottery would print any tickets with that vendor.

American Games, Inc., a Pollard Banknote Company located in Council Bluffs, Iowa, was the sole bidder.

On January 29, 2014, the Iowa Lottery Board approved the Iowa Lottery to issue a Notice of Intent to Award to American Games, Inc., a Pollard Banknote Company located in Council Bluffs, Iowa.

Subsequently, the contract terms were negotiated. As part of that negotiation, the contract was issued to Pollard Games, Inc. doing business as American Games. The initial term of the contract was for one year and the contract provided for three one-year extensions.

The initial contract term was April 1, 2014 through March 31, 2015.

On March 16, 2015, the Lottery Board approved the Iowa Lottery to exercise the first extension available; extending the term of the contracts to March 31, 2016.

There are two one-year extensions still available under this contract.

Background Information

The Lottery operates on a multiple game strategy and multiple price point strategy and plans to have at least 18 games available for sale at all times. New tickets at the \$.25,

\$.50 and \$1 price points will be introduced every 1-2 months and at the \$2 price point 2-4 times per year. The ticket size and unit size are all the same regardless of price point. The Lottery has a base of approximately 800 retailers selling pull-tab tickets within Iowa. The Lottery's current gaming system is operated by Scientific Games which includes on-site verification that each pull-tab ticket being cashed was purchased at that location. Each prize-winning pull-tab ticket winning up to \$100 currently must be cashed at the location where it was purchased meaning cross-validation of pull-tab tickets between retailers is not allowed. Jackpot tickets worth over \$100 currently can only be validated and paid at the five Lottery office locations across the state.

The value of the contract will vary from year to year based on the number of games that are printed. To give you an approximate value of the contract, here are the printing costs by price point for games delivered in fiscal year 2015:

Price	# of Games	Printing Cost
\$.25	7	\$180,037
\$.50	6	\$115,207
\$1.00	7	\$ 82,170
\$2.00	2	\$ 39,422
Total	22	\$416,835

Recommendation

Iowa Lottery staff is asking for Board approval to exercise the second extension of the Pull-tab Printing and Related Services contracts with Pollard Games Inc. doing business as American Games thus extending the contract through March 31, 2017.

**EXTENSION TO THE
AGREEMENT FOR THE PURCHASE OF
PULL-TAB TICKETS AND RELATED SERVICES**

This Extension and Amendment of Agreement For the Purchase of Pull-Tab Tickets and Related Services (Extension) is effective on the last date set forth below and is made by and between the **Iowa Lottery Authority** (Lottery) and **Pollard Games, Inc.** doing business as **American Games** (Contractor).

In consideration of the mutual covenants contained in this Extension, the sufficiency of which is acknowledged, it is agreed as follows:

SECTION 1. IDENTITY OF THE PARTIES.

1.1 The Lottery is an instrumentality of the State of Iowa and is authorized by Iowa Code Chapter 99G to conduct a lottery in the State of Iowa. The Lottery's address is 13001 University Avenue, Clive, Iowa 50325.

1.2 The Contractor is a corporation established under the laws of the state of Delaware. American Games is engaged in the business, among other things, of printing pull-tab tickets. The address for Contractor is 504 34th Avenue, Council Bluffs, IA 51501.

SECTION 2. EXTENSION OF TERM.

On or about April 1, 2014, the Lottery and Contractor entered into an Agreement for the Purchase of Pull-Tab Tickets and Related Services ("Agreement"). The term of the Agreement was for one year, plus three one-year extension periods exercisable at the option of the Lottery. Pursuant to Section 5 of the Agreement, the second option period is hereby exercised extending the term through March 31, 2017.

SECTION 3. AGREEMENT OTHERWISE UNCHANGED.

Except as specifically modified hereby, the terms of this Agreement shall remain in full force and effect.

SECTION 4. EXECUTION.

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other goods and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Extension and have caused their duly authorized representatives to execute this Extension.

Iowa Lottery Authority

By: _____
Name: Larry Loss
Title: Executive Vice President

Date: _____

Pollard Games, Inc dba American Games

By: _____
Name: Douglas E. Pollard
Title: President

Date: _____

IOWA LOTTERY
PERFORMANCE MEASURES
FY 2016

		JUL	AUG	SEP	OCT		NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Month														
Gross Sales	Budget '16	23,834,084	25,461,659	23,733,551	24,811,289		27,194,561	26,705,439	26,858,803	29,997,407	31,388,556	27,291,539	28,928,003	24,945,109
	5-year av.	23,411,245	25,009,945	23,312,496	24,371,114		26,712,104	26,231,659	26,382,303	28,787,466	30,153,935	26,129,603	27,737,035	23,824,802
	Actual '16	25,907,997	25,180,933	26,791,422	26,284,951		-	-	-	-	-	-	-	-
Prize Expense	Budget '16	14,116,232	15,080,197	14,056,689	14,695,002	59.23% 1)	16,106,544	15,816,852	15,907,685	17,766,588	18,590,525	16,163,982	17,133,211	14,774,260
	5-year av.	14,170,986	14,598,857	13,709,047	14,346,043	58.86% 2)	15,220,681	16,164,184	16,073,258	17,141,508	17,868,628	15,188,040	16,429,395	14,296,686
	Actual '16	15,690,151	15,581,596	15,908,821	16,370,729	62.28% 3)	-	-	-	-	-	-	-	-
Operating Expenses	Budget '16	503,008	1,092,391	1,579,119	953,326		1,092,391	1,092,391	1,092,391	1,092,391	1,579,119	1,092,391	953,326	2,039,118
	5-year av.	508,168	841,926	1,067,719	1,035,796		1,004,500	862,588	923,101	979,081	1,002,573	1,087,245	1,021,482	1,419,524
	Actual '16	452,290	958,895	1,402,002	832,037		-	-	-	-	-	-	-	-
Total Proceeds	Budget '16	5,680,642	5,513,526	4,578,448	5,483,856		5,963,120	5,836,220	5,876,009	6,690,306	6,564,506	5,988,281	6,551,919	4,432,783
	5-year av.	5,566,219	6,066,103	6,037,982	6,196,005		7,314,599	5,605,872	6,159,970	7,271,757	7,422,268	6,634,641	6,935,723	4,809,997
	Actual '16	6,188,361	5,102,911	6,813,453	5,656,822		-	-	-	-	-	-	-	-
YEAR TO DATE														
Gross Sales	Budget '16	23,834,084	49,295,743	73,029,294	97,840,583		125,035,144	151,740,583	178,599,386	208,596,793	239,985,349	267,276,888	296,204,891	321,150,000
	5-year av.	23,411,245	48,421,190	71,733,686	96,104,800	8.39% 4)	122,816,904	149,048,563	175,430,866	204,218,332	234,372,267	260,501,870	288,238,905	312,063,707
	Actual '16	25,907,997	51,088,930	77,880,352	104,165,303	6.46% 5)								
Prize Expense	Budget '16	14,116,232	29,196,429	43,253,118	57,948,120	59.23% 1)	74,054,664	89,871,516	105,779,201	123,545,789	142,136,314	158,300,296	175,433,507	190,207,767
	5-year av.	14,170,986	28,769,843	42,478,890	56,824,933	59.13% 2)	72,045,614	88,209,798	104,283,056	121,424,564	139,293,192	154,481,232	170,910,627	185,207,313
	Actual '16	15,690,151	31,271,747	47,180,568	63,551,297	61.01% 3)								
Operating Expenses	Budget '16	503,008	1,595,399	3,174,518	4,127,844		5,220,235	6,312,626	7,405,017	8,497,408	10,076,527	11,168,918	12,122,244	14,161,362
	5-year av.	508,168	1,350,094	2,417,813	3,453,609		4,458,109	5,320,697	6,243,798	7,222,879	8,225,452	9,312,697	10,334,179	11,753,703
	Actual '16	452,290	1,411,185	2,813,187	3,645,224									
Total Proceeds	Budget '16	5,680,642	11,194,168	15,772,616	21,256,472		27,219,592	33,055,812	38,931,821	45,622,127	52,186,633	58,174,914	64,726,833	69,159,616
	5-year av.	5,566,219	11,632,322	17,670,304	23,866,309	-0.44% 4)	31,180,908	36,786,780	42,946,750	50,218,507	57,640,775	64,275,416	71,211,139	76,021,136
	Actual '16	6,188,361	11,291,272	18,104,725	23,761,547	11.78% 5)								

- 1) Budget FY16 Prize Payout
- 2) Actual 5-year average Prize Payout
- 3) Actual FY16 Prize Payout
- 4) Actual FY16 compared to Actual 5-year average
- 5) Actual FY16 compared to Budget FY16

IOWA LOTTERY AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
For the Three Months Ending September 30, 2015

	Month ended 9/30/2015	Month ended 9/30/2014	Year-to-date 9/30/2015	Year-to-date 9/30/2014
Operating revenues:				
Instant-scratch ticket sales	\$16,415,298.00	\$15,492,613.00	\$52,087,597.00	\$47,839,903.00
Pick 3 sales	598,750.50	546,271.00	1,840,081.00	1,667,353.50
Powerball sales	5,846,720.00	4,591,110.00	12,362,806.00	11,407,701.00
Mega Millions Sales	1,129,823.00	1,182,953.00	3,491,473.00	3,762,579.00
Hot Lotto sales	804,799.00	778,833.00	2,306,936.00	3,175,908.00
Pick 4 sales	284,093.50	248,787.50	886,409.50	759,019.50
All or Nothing sales	362,460.00	397,137.00	1,060,398.00	1,275,792.00
Pull-tab sales	1,349,478.38	1,290,606.75	3,844,651.61	4,009,617.74
Application fees	250.00	325.00	900.00	800.00
Other	276.13	410.79	1,227.97	1,336.88
Total operating revenues	<u>26,791,948.51</u>	<u>24,529,047.04</u>	<u>77,882,480.08</u>	<u>73,900,010.62</u>
Operating expenses:				
Scratch ticket	10,485,018.47	9,932,909.46	33,536,041.47	31,105,639.05
Pick 3	353,340.30	322,122.60	1,087,448.60	980,672.10
Powerball	2,875,420.50	2,193,351.00	6,065,132.50	5,446,984.50
Mega Millions	552,464.50	576,447.50	1,701,084.50	1,849,789.50
Hot Lotto	393,494.50	384,316.36	1,115,663.00	1,549,867.86
Pick 4	168,956.10	144,742.50	525,805.70	456,787.50
All or Nothing	214,268.26	240,308.32	626,752.97	771,984.25
Pull-tab	841,650.44	805,744.21	2,406,102.66	2,506,686.28
VIP Club prize expense	600.00	51,369.59	71,423.77	87,750.97
Promotional	23,608.22	10,420.39	45,112.66	24,610.81
Advertising/publicity	553,806.32	520,151.55	1,648,277.03	1,700,535.06
Retailer compensation expense	1,715,648.46	1,585,198.11	5,019,594.05	4,741,807.99
Ticket expense	207,742.74	198,219.69	684,288.68	715,506.48
Vendor compensation expense	548,088.01	501,320.16	1,577,712.44	1,487,840.00
Salary and benefits	827,853.00	781,232.90	2,544,535.24	2,385,848.39
Travel	19,903.92	29,658.97	74,540.80	89,643.84
Supplies	5,911.14	2,240.29	37,847.33	36,117.72
Printing	-	(23.75)	93.80	88.75
Postage	366.46	259.90	1,113.12	946.58
Communications	12,472.16	12,873.68	36,945.00	39,335.32
Rentals	26,015.13	25,184.28	77,153.21	76,776.60
Utilities	7,659.25	21,911.34	23,562.90	53,719.77
Professional fees	7,175.45	4,798.12	25,930.75	27,601.97
Vending machine maintenance	48,421.47	47,221.27	145,394.69	141,803.81
Outside services and repairs	68,131.19	76,197.62	202,451.53	204,543.49
Data processing	9,581.80	8,356.96	29,838.73	24,288.60
Equipment	24,173.38	20,799.38	129,122.73	57,491.41
Reimbursement to other state agencies	36,950.76	35,427.93	95,886.60	92,012.03
Depreciation	27,655.92	17,438.27	80,469.30	60,347.51
Other	6,299.39	17,162.47	16,585.81	25,737.44
MUSL/Lotto administrative expense	15,952.71	8,434.44	28,011.59	26,088.44
Total operating expenses	<u>20,078,629.95</u>	<u>18,575,795.51</u>	<u>59,659,923.16</u>	<u>56,768,854.02</u>
Operating income	<u>6,713,318.56</u>	<u>5,953,251.53</u>	<u>18,222,556.92</u>	<u>17,131,156.60</u>
Non-operating revenue (expenses):				
Proceeds provided to State General Fund	(6,813,453.57)	(7,068,156.80)	(15,604,724.77)	(15,930,604.69)
Proceeds provided to Veteran's Trust Fund	-	(259,202.34)	(2,500,000.00)	(1,046,539.47)
Interest income	14,168.88	2,870.46	14,168.88	2,870.46
Interest expense	-	-	-	(4,172.48)
Gain (Loss) on disposal of capital assets	-	(365,266.29)	4,750.00	(367,766.29)
Net non-operating revenues (expenses)	<u>(6,799,284.69)</u>	<u>(7,689,754.97)</u>	<u>(18,085,805.89)</u>	<u>(17,346,212.47)</u>
Change in net position	<u>(85,966.13)</u>	<u>(1,736,503.44)</u>	<u>136,751.03</u>	<u>(215,055.87)</u>
Net position beginning of year	<u>6,021,054.94</u>	<u>11,035,303.36</u>	<u>5,798,337.78</u>	<u>9,513,855.79</u>
Net position end of year	<u>5,935,088.81</u>	<u>9,298,799.92</u>	<u>5,935,088.81</u>	<u>9,298,799.92</u>

IOWA LOTTERY AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
For the Four Months Ending October 31, 2015

	Month ended 10/31/2015	Month ended 10/31/2014	Year-to-date 10/31/2015	Year-to-date 10/31/2014
Operating revenues:				
Instant-scratch ticket sales	\$18,106,200.00	\$16,954,695.00	\$70,193,797.00	\$64,794,598.00
Pick 3 sales	607,301.50	573,798.00	2,447,382.50	2,241,151.50
Powerball sales	3,528,318.50	3,649,195.00	15,891,124.50	15,056,896.00
Mega Millions Sales	1,338,869.00	2,495,576.00	4,830,342.00	6,258,155.00
Hot Lotto sales	834,524.00	732,892.00	3,141,460.00	3,908,800.00
Pick 4 sales	291,286.00	265,663.50	1,177,695.50	1,024,683.00
All or Nothing sales	367,649.00	393,216.00	1,428,047.00	1,669,008.00
Monopoly Millionaires' Club sales	-	154,655.00	-	154,655.00
Pull-tab sales	1,210,802.91	1,418,026.98	5,055,454.52	5,427,644.72
Application fees	575.00	175.00	1,475.00	975.00
Other	1,728.94	492.23	2,956.91	1,829.11
Total operating revenues	26,287,254.85	26,638,384.71	104,169,734.93	100,538,395.33
Operating expenses:				
Scratch ticket	12,092,161.00	10,806,255.00	45,628,202.47	41,911,894.05
Pick 3	360,220.90	338,798.80	1,447,669.50	1,319,470.90
Powerball	1,729,838.50	1,771,983.50	7,794,971.00	7,218,968.00
Mega Millions	644,818.50	1,234,953.00	2,345,903.00	3,084,742.50
Hot Lotto	381,229.65	344,311.59	1,496,892.65	1,894,179.45
Pick 4	173,771.60	197,265.00	699,577.30	654,052.50
All or Nothing	218,812.13	237,935.72	845,565.10	1,009,919.97
Monopoly Millionaires' Club	(2,232.00)	83,955.18	(2,232.00)	83,955.18
Pull-tab	755,335.48	887,827.91	3,161,438.14	3,394,514.19
VIP Club prize expense	9,044.56	4,059.93	80,468.33	91,810.90
Promotional	7,728.95	32,381.47	52,841.61	56,992.28
Advertising/publicity	554,220.50	521,145.67	2,202,497.53	2,221,680.73
Retailer compensation expense	1,700,076.81	1,717,418.28	6,719,670.86	6,459,226.27
Ticket expense	246,301.58	240,651.23	930,590.26	956,157.71
Vendor compensation expense	523,901.94	551,827.51	2,101,614.38	2,039,667.51
Online game expense	-	2,071.15	-	2,071.15
Salary and benefits	779,640.28	787,968.51	3,324,175.52	3,173,816.90
Travel	26,537.62	100,517.50	101,078.42	190,161.34
Supplies	6,047.21	5,828.40	43,894.54	41,946.12
Printing	-	100.00	93.80	188.75
Postage	392.45	401.10	1,505.57	1,347.68
Communications	13,574.41	13,961.92	50,519.41	53,297.24
Rentals	25,528.28	25,240.16	102,681.49	102,016.76
Utilities	2,695.42	2,021.70	26,258.32	55,741.47
Professional fees	6,289.52	17,016.24	32,220.27	44,618.21
Vending machine maintenance	48,504.04	48,563.81	193,898.73	190,367.62
Outside services and repairs	76,141.84	62,994.99	278,593.37	267,538.48
Data processing	10,371.21	8,131.07	40,209.94	32,419.67
Equipment	10,764.60	61,029.08	139,887.33	118,520.49
Reimbursement to other state agencies	58,582.83	52,984.90	154,469.43	144,996.93
Depreciation	27,655.92	17,438.26	108,125.22	77,785.77
Other	4,398.53	4,398.54	20,984.34	30,135.98
MUSL/Lotto administrative expense	9,337.21	11,575.34	37,348.80	37,663.78
Total operating expenses	20,501,691.47	20,193,012.46	80,161,614.63	76,961,866.48
Operating income	5,785,563.38	6,445,372.25	24,008,120.30	23,576,528.85
Non-operating revenue (expenses):				
Proceeds provided to State General Fund	(5,656,822.45)	(6,293,178.40)	(21,261,547.22)	(22,223,783.09)
Proceeds provided to Veteran's Trust Fund	-	(70,185.37)	(2,500,000.00)	(1,116,724.84)
Interest income	84,414.07	9,195.90	98,582.95	12,066.36
Interest expense	-	-	-	(4,172.48)
Gain (Loss) on disposal of capital assets	4,850.00	-	9,600.00	(367,766.29)
Net non-operating revenues (expenses)	(5,567,558.38)	(6,354,167.87)	(23,653,364.27)	(23,700,380.34)
Change in net position	218,005.00	91,204.38	354,756.03	(123,851.49)
Net position beginning of year	5,935,088.81	9,298,799.92	5,798,337.78	9,513,855.79
Net position end of year	6,153,093.81	9,390,004.30	6,153,093.81	9,390,004.30

SECURITY REPORT
SEPTEMBER 2015

INVESTIGATIONS

Cases: 4
Cases open: 3
Cases closed: 1

TYPES

Fraud: 1
Theft: 3

EVENTS

Supervise and monitor Powerball, Mega Millions, Hot Lotto, validate All or Nothing Game. Visited regional offices to process return ticket stock.

MISCELLANEOUS

Records of contact: 50
Compliance: 15
Customer assists: 9
Retailer assists: 2
Validation assists:
Law enforcement contacts: 1:



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www.ialottery.com

Terry E. Branstad, Governor
Kim Reynolds, Lt. Governor

Terry Rich, Chief Executive Officer

SECURITY REPORT OCTOBER 2015

INVESTIGATIONS

Cases: 14
Cases open: 11
Cases closed: 3
Arrests: 2

TYPES

Theft: 12
Burglary: 1
Missing tickets: 1

EVENTS

Supervise and monitor Powerball, Mega Millions, Hot Lotto, validate All or Nothing Game.

MISCELLANEOUS

Validation assists: 2
Law enforcement contacts: 7
Retailer assists: 16
Customer assists: 5
Compliance checks: 0
Records of contact: 29



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SECURITY REPORT NOVEMBER 2015

INVESTIGATIONS

Cases: 8
Cases open: 8
Cases closed: 0

TYPES

Theft: 7
Burglary: 1

EVENTS

Supervise and monitor Powerball, Mega Millions, Hot Lotto, validate All or Nothing Game, assisted on Holiday Hoopla promotional drawings.

MISCELLANEOUS

Validations: 2
Law Enforcement contacts: 5
Retailer assists: 3
Customer assists: 8
Compliance checks: 3
Records of contact: 23