
FISCAL UPDATE Article

Fiscal Services Division

September 17, 2018



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

AUDIT — IOWA LOTTERY AUTHORITY

Report Released. On September 7, 2018, the Auditor of State released a report on the Iowa Lottery Authority for the period of April 1, 2017, through March 31, 2018.

Findings. Some of the procedures performed are as follows:

- Five draw dates for the period of April 1, 2017, through March 31, 2018, were selected. For each draw date, the total amount of sales as shown on the daily sales report produced by the Authority's gaming system and the total amount of sales shown on the related daily sales report produced by the internal control system were compared with the balance listed in the sales column for each respective draw date.
- The total dollar amount of the set prizes for the aforementioned draw dates was recalculated based on the total number of winners from the Authority's gaming system for each prize level and the prize structure of the Lucky for Life set prizes. The recalculated expense was compared with the amount listed for actual set prizes and actual low-tier prizes for each draw date.
- The expired prize allocation report was compared against the unclaimed prizes report obtained from the Authority's gaming system.
- The amounts of sales, actual set prizes or actual low-tier prizes, and share of set prizes or allocated low-tier prizes shown on the draw activity report were compared to the amounts shown on the Lucky for Life draw report as generated by the Authority.
- The total of the transfers from the Authority to the game administrator for settlement of the Actual Set Prize Liability was compared to the amounts listed in the "Settlement" columns on the set prize analysis report.
- The balance listed as the Authority's payable as of March 31, 2018, for the actual set prizes or actual lower tier prize liability as shown on the set prize analysis report was compared to the Authority's financial accounting records and to the Lucky for Life draw report.

Findings. All amounts agreed and no exceptions were noted.

LSA Staff Contact: Angel A. Banks-Adams (515.281.6301) angel.banks-adams@legis.iowa.gov

970248